

Director Report
of
Pratech Brands Private Limited
for the financial year 2021-2022

Names of past and present directors of the Company with Director Identification Numbers (DIN)¹

Sr. No.	Name of Director	Designation	DIN of Director
1.	Mr. Neehar Rejesh Modi (Note 1)	Director	09396436
2.	Ms. Anvi Shah (Note 2)	Director	06384756
3.	Mr. Sachin Jatin Parikh (Note 3)	Director	07926070
4.	Mr. Nishith Rajnikant Shah (Note 4)	Director	00381267
5.	Mr. Gaurang Natwarlal Parikh (Note 5)	Director	00190701

Note:

- 1) Mr. Neehar Rejesh Modi was appointed on 08.11.2021 as an Additional Director and then on 01.12.2021 he was Appointed as Director - Professional
- 2) Ms. Anvi Shah was appointed on 01.09.2021 as an Additional Director and then on 01.12.2021 She was Appointed as Director - Executive
- 3) Mr. Sachin Jatin Perekh was appointed on 08.11.2021 as an Additional Director and then on 01.12.2021 he was Appointed as Director - Professional
- 4) Mr. Nishith Rajnikant Shah resigned as Director w.e.f 30.11.2021
- 5) Mr. Gaurang Natwarlal Parikh resigned as Director w.e.f 30.11.2021

¹The above disclosure has been given in accordance with section 158 of Companies Act 2013, and reference of any of the above directors made in this document be read along with the above disclosure of their respective Director Identification Numbers.



Pratech Brands Private Ltd

Board's Report

Dear Members,

Your Directors have pleasure in presenting the 1st Annual Report of **Pratech Brands Private Limited** together with Audited Accounts for the financial year ended on 31st March, 2022.

1. Financial Summary

The Company's performance during the year ended 31st March, 2022 is summarized below:

Particulars	For financial year ended 31/03/2022 (₹ in thousand)
Total Income	171
Other Income	115
Total Income	286
Less: Total Expenses	9,762
Profit/(Loss) before tax	(9,476)
Less: Tax expense	
Current Tax	-
Deferred Tax	29
Tax relating to earlier years	
Profit/(Loss) for the year	(9,504)

2. Change in the nature of business

During the year under review there was no change in the nature of the business of the Company.

3. Change in the composition of the Board of Directors of the Company

During the year under review there was change in the composition of the Board of Directors of the Company.

- Mr. Neehar Rejesh Modi was appointed on 08.11.2021 as an Additional Director and then on 01.12.2021 he was Appointed as Director - Professional
- Ms. Anvi Shah was appointed on 01.09.2021 as an Additional Director and then on 01.12.2021 She was Appointed as Director - Executive
- Mr. Sachin Jatin Perekh was appointed on 08.11.2021 as an Additional Director and then on 01.12.2021 he was Appointed as Director - Professional
- Mr. Nishith Rajnikant Shah was resigned as Director w.e.f 30.11.2021
- Mr. Gaurang Natwarlal Parikh was resigned as Director w.e.f 30.11.2021



4. **Companies which have become or ceased to be its Subsidiaries, Joint Ventures or Associate Companies**

During the year under review Following companies have become its Subsidiaries: -

Sr No	Name of Subsidiaries	CIN	%
1	Hyuga Health & Wellness Private Limited	U74999MH2022PTC374857	90%
2	Inaari Life Private Limited	U85320MH2020PTC345892	80%

5. **Deposits**

The Company has not invited/ accepted any deposits from the public during the year ended 31st March, 2022.

6. **Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

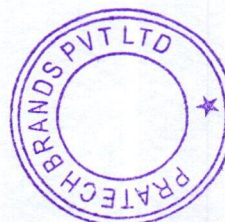
7. **Adequacy of internal financial controls with reference to the Financial Statements**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

8. **Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo**

A. **Conservation of Energy**

Sr. No.	Particulars	Remarks
(a)	Steps taken or impact on conservation of energy.	The Company has taken adequate steps to conserve energy. The Company has posted notices in office to switch of lights when not in need. The Company has not spent any substantial amount on conservation of energy to be disclosed here.
(b)	Steps taken by the company for utilising alternate sources of energy.	
(c)	Capital investment on energy conservation equipments.	



B. Technology Absorption

Sr. No.	Particulars	Remarks
(a)	Efforts made towards technology absorption.	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
(b)	Benefits derived like product improvement, cost reduction, product development or import substitution.	
(c)	Imported technology (imported during the last three years reckoned from the beginning of the financial year).	
	(i) the details of technology imported;	NIL
	(ii) the year of import;	N.A.
	(iii) whether the technology been fully absorbed;	N.A.
	(iv) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.	N.A.
(d)	Expenditure incurred on Research and Development.	NIL

C. Foreign exchange earnings and Outgo

Particulars	For financial year 01/04/2021 to 31/03/2022
Foreign Exchange earned in terms of actual inflows.	NIL
Foreign Exchange outgo during the year in terms of actual outflows.	₹ 42,89,930

9. Corporate Social Responsibility

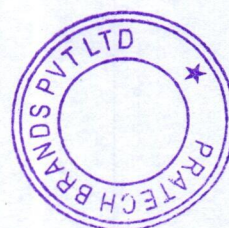
The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on Corporate Social Responsibility.

10. Extract of Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 the extract of Annual Return is available on the below mentioned web-address:

www.pratechbrands.com

11. Number of meetings of the Board



The Board of Directors met 15 time during the financial year ended 31st March, 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The Company has complied with the applicable Secretarial Standards in respect of all the above Board meetings.

12. Directors' Responsibility Statement

Pursuant to the requirement under section 134(3)(c) of the Companies Act, 2013 it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act 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 have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) 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.

13. Details in respect of frauds reported by auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government

There were no incidences of reporting of frauds by the Statutory Auditors of the Company under Section 143(12) of the Act read with Companies (Accounts) Rules, 2014.

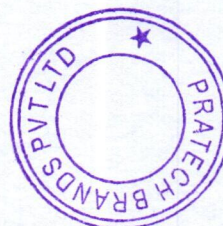
14. Declaration by Independent Directors

The Company was not required to appoint Independent Directors under Section 149(4) and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 hence no declaration has been obtained.

15. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178

The Company was not required to constitute a Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Stakeholders Relationship Committee under Section 178(5) of the Companies Act, 2013.

16. Statutory Auditor & Audit Report



Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. V. C. Shah & Co., Chartered Accountants, Mumbai (having FRN 109818W), the first auditor of a company have been appointed by the Board of Directors and such auditor shall hold office till the conclusion of the first annual general meeting.

The Auditors' Report for the year under review does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

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

During the year under review, the Company has not advanced any loans/ given guarantees/ made investments pursuant to section 186 of the Companies Act, 2013.

18. Particulars of contracts or arrangements with related parties referred to in subsection (1) of section 188 (Related Party Transactions)

The Company has not entered into any transactions/contracts/arrangements referred to in section 188(1) of the Companies Act, 2013 with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review and hence no disclosure is required to be given in this regard.

19. Disclosure pursuant to Companies (Share Capital and Debentures) Rules, 2014

(a) Disclosure under rule 4(4)

The Company has not issued any shares with differential voting rights during the year under review and hence no disclosure is required to be given in this regard.

(b) Disclosure under rule 12(9)

The Company has option granted 88,314 Equity-settled stock units on January 21, 2022, pursuant to approval by the shareholders in the Extraordinary General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under "Employee Stock Option Plan 2022". The maximum number of shares under ESOS 2022 shall not exceed 5,90,000 equity shares.

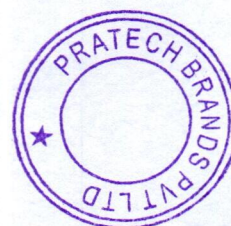
(c) Disclosure under rule 16(4)

During the year under review the Company has not given any loan to its employees for purchase of its own shares and hence no disclosure is required to be given in this regard.

20. Disclosure under section 43(a)(ii) Of The Companies Act, 2013

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

21. Disclosure Under Section 54(1)(d) Of The Companies Act, 2013



The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

22. Disclosure under section 62(1)(b) of the Companies Act, 2013

The Company has option granted 88,314 Equity-settled stock units on January 21, 2022, pursuant to approval by the shareholders in the Extraordinary General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under "Employee Stock Option Plan 2022". The maximum number of shares under ESOS 2022 shall not exceed 5,90,000 equity shares.

23. Disclosure under section 67(3) Of The Companies Act, 2013

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 and hence no information is furnished.

24. Company's affairs

The total income for the current year is ₹ 2,86,027/-. The net loss for the year under review amounted to ₹ 95,04,272 /-.

25. Transfer to Reserves

The details of amount transferred to reserves are given in note no. 03 of the Notes forming part of the financial statements.

26. Dividend

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the financial year under review.

27. Unpaid Dividend & IEPF

The Company has not transferred any amount to the Investor Education & Protection Fund (IEPF) and no amount is lying in Unpaid Dividend A/c of the Company and hence no disclosure is required to be given in this regard.

28. Loans from Directors or Directors' relatives

During the financial year under review, the Company has borrowed Short Term amount(s) from Directors and Directors relatives for expenses ₹ 66,71,651/-.

29. Material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report



Except as disclosed elsewhere in this report, there have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

30. Risk Management Policy

The Board of Directors of the Company has not designed any Risk Management Policy. However, the Company has in place mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

31. Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

During the year under review the Company was not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

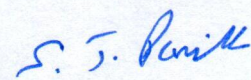
32. Constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

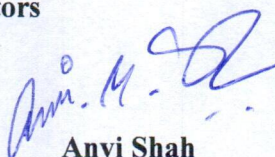
33. Acknowledgments

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of the Board of Directors

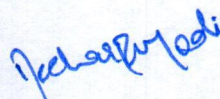


Sachin Parikh
Director
DIN: 07926070



Anvi Shah
Director
DIN: 06384756





Neehar Modi
Director
DIN - 09396436

Place: Mumbai
Date: 23/09/2022

Annexure – A**MGT-9**

Extract of annual return as on the financial year ended on 31st March, 2022
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration & Other Details

1.	CIN	U52335MH2021PTC362865
2.	Registration Date	28/06/2021
3.	Name of the Company	Pratech Brands Private Limited
4.	Category/Sub-category of the Company	Company limited by Shares/ Non-Government Company
5.	Address of the Registered office & contact details	B/48, Todi Industrial Estate, Sun Mill Compound, Lower Parel, Mumbai - 400 013
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: -

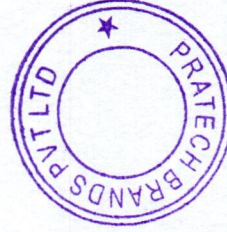
Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Household appliances whether or not electrical	99732302	100%

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.	Hyuga Health & Wellness Private Limited	U74999MH2022PTC374857	Subsidiary	90%	2(87)
2.	Inaari Life Private Limited	U85320MH2020PTC345892	Subsidiary	80%	2(87)



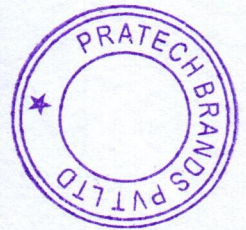
3.	Hyuga Ecommerce Ventures Private Limited	U52500MH2022PTC377063	Subsidiary	100%	2(87)
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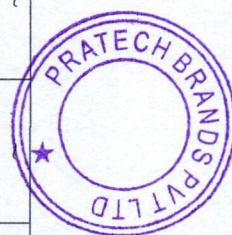


IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise share holding

Category of Shareholders	No. of Shares held at the beginning of the year	No. of Shares held at the end of the year				% Change during the year			
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	~	~	~	~	~	49,13,811	49,13,811	75.06%	
b) Central Govt	~	~	~	~	~	~	~	~	~
c) State Govt(s)	~	~	~	~	~	~	~	~	~
d) Bodies Corp.	~	~	~	~	~	~	~	~	~
e) Banks / FI	~	~	~	~	~	~	~	~	~
f) Any other	~	~	~	~	~	~	~	~	~
Sub-total(A)(1):	~	~	~	~	~	49,13,811	49,13,811	76.06%	
(2) Foreign	~	~	~	~					
a) NRIs - Individuals	~	~	~	~	~	~	~	~	~
b) Other – Individuals	~	~	~	~	~	~	~	~	~
c) Bodies Corp.	~	~	~	~	~	~	~	~	~
d) Banks / FI	~	~	~	~	~	~	~	~	~
e) Any other	~	~	~	~	~	~	~	~	~
Sub-total (A)(2):	~	~	~	~	~	~	~	~	~
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	~	~	~	~	~	49,13,811	49,13,811	75.06%	~

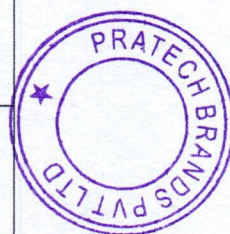


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Total Shareholding (B)=(B)(1)+(B)(2)	Public	~	~	~	~	~	~	16,32,697	16,32,697	24.97%	~
C. Shares held by Custodian for GDRs & ADRs		~	~	~	~	~	~	~	~	~	~
Grand Total (A+B+C)		~	~	~	~	~	~	65,46,508	65,46,508	100.00%	~

(ii) Share holding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year	
		No. of Shares	% of Shares of the Company	% of Pledged/encumbered to total shares	No. of Shares	% of Shares of the Company	% of Pledged/encumbered to total shares		
1.	Neehar Rejesh Modi	~	~	~	14,75,087	22.53%	~	~	~
2.	Anvi Nishith Shah	~	~	~	14,73,200	22.50%	~	~	~
3.	Shruti Sachin Parikh	~	~	~	9,82,680	15.01%	~	~	~
4.	Sachin Jatin Parikh	~	~	~	9,82,844	15.01%	~	~	~
	Total	~	~	~	49,13,811	75.06%	~	~	~



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

Sr. No.		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	N.A			
1.					
2.					
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer/ bonus/sweat equity, etc)	49,13,811 new Shares issued to Promoters			
	At the End of the year				
1.	Neehar Rejesh Modi	-	-	14,75,087	22.53%
2.	Anvi Nishith Shah	-	-	14,73,200	22.50%
3.	Shruti Sachin Parikh	-	-	9,82,680	15.01%
4.	Sachin Jatin Parikh	-	-	9,82,844	15.01%

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. 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
	At the beginning of the year	N.A.			
1.					
2.					
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity, etc)	N.A.			



	At the End of the year (or on the date of separation, if separated during the year)	N.A.
1.		
2.		

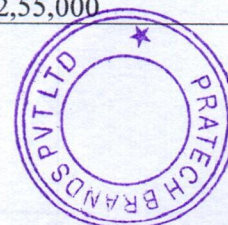
(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	For Each of the Directors and Key Managerial Personnel	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	N.A.			
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc)	49,13,811 new Shares issued to Promoters			

V. Indebtedness

(₹ in thousand)

	Secured Loans Excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	~	~	~	~
ii) Interest due but not paid	~	~	~	~
iii) Interest accrued but not due	~	~	~	~
Total (i+ii+iii)	~	~	~	~
	~	~	~	~
Change in Indebtedness during the financial year	~	~	~	~
Addition	~	2,55,000	~	2,55,000
Reduction	~	~	~	~
Net Change	~	2,55,000	~	2,55,000
	~	~	~	~
Indebtedness at the end of the financial year	~	~	~	~
i) Principal Amount	~	2,55,000	~	2,55,000
ii) Interest due but not paid	~	~	~	~
iii) Interest accrued but not due	~	~	~	~
Total (i+ii+iii)	~	2,55,000	~	2,55,000



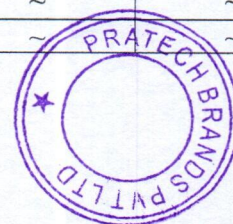
VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Director, Whole-time Directors and/or Manager – N.A.

Sr. No.	Particulars of Remuneration	Name			Total Amount
		Neehar Rejesh Modi	Anvi Nishith Shah	Sachin Jatin Parikh	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11,87,500	8,75,000	10,76,613	31,39,113
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	~	~	~	~
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	~	~	~	~
2.	Stock Option	~	~	~	~
3.	Sweat Equity	~	~	~	~
4.	Commission	~	~	~	~
	- as % of profit	~	~	~	~
	- others, specify	~	~	~	~
5.	Others, please specify	~	~	~	~
	Total (A)	11,87,500	8,75,000	10,76,613	31,39,113
	Ceiling as per the Act	11,87,500	8,75,000	10,76,613	31,39,113

B. Remuneration to other Directors – NIL

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 / Executive			
	Fee for attending board / committee meetings	~	~	~
	Commission	~	~	~
	Others, please specify	~	~	~



Total (2)	~	~	~
Total (B)=(1+2)	~	~	~
Total Managerial Remuneration	~	~	~
Overall Ceiling as per the Act	~	~	~

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD -NIL

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



VII. Penalties/Punishment/Compounding of Offences- NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/ Court]	Appeal made, if any (give Details)
A. Company					
Penalty	~	~	~	~	~
Punishment	~	~	~	~	~
Compounding	~	~	~	~	~
B. Directors					
Penalty	~	~	~	~	~
Punishment	~	~	~	~	~
Compounding	~	~	~	~	~
C. Other officers in default					
Penalty	~	~	~	~	~
Punishment	~	~	~	~	~
Compounding	~	~	~	~	~

For and on behalf of the Board of Directors

S. S. Parikh

Sachin Parikh
Director
DIN: 07926070



Anvi M. Shah

Anvi Shah
Director
DIN: 06384756

Neehar Modi

Neehar Modi
Director
DIN - 09396436

Place: Mumbai
Date: 23/09/2022

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF Pratech Brands Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Pratech Brands Private Limited** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and the Statement of Cash Flow for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its loss, and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Standalone Financial Statements and Auditor's Report thereon

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

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard currently since the Board Report is not made available to us for the verification while finalizing the Auditors' Report.

Responsibilities of Management for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, including cash flows of the Company in accordance with the accounting standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and



- Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 financial statements, including the disclosures, and whether the standalone 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.

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 "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



2. (A) As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) The Company is a Private Limited Company as per the Act. The requirement of payment of managerial remuneration as per section 197 read with Schedule V of the Act is not applicable.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or



in any other person or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared and paid any dividend during the year and hence the compliance with respect to section 123 of the Act is not applicable.

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W



Viral J. Shah

Partner

Membership No.: 110120

UDIN : 22110120 AVIRTF 9648

Place: Mumbai

Date: September 23, 2022



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Pratech Brands Private Limited on the Standalone financial statements for the year ended March 31, 2022)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and to the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
(B) The company is maintaining proper records showing full particulars of intangible assets.
- (b) The Property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed during such verification.
- (c) There is no immovable property in the name of the company, hence reporting under clause 3(i)(c) is not applicable.
- (d) The company has not revalued its property, plant and equipment (including right of use assets) and intangible assets during the year. Hence, reporting under clause 3(i)(d) is not applicable.
- (e) As represented by the Management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals and in the opinion of the auditor, the coverage and procedure of such verification by the management is appropriate and no discrepancies were noticed.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:
 - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.



- (b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest. As represented by the Management, the Company has not granted any loans and advances in the nature of loans or provided any guarantee during the year to anyone.
- (c) As represented by the Management, the Company has not granted any loans or advances in the nature of Loans during the year, hence reporting under clause 3(iii)(c) to (f) of the Order is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- iv. The Company has not given any loan to directors, the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, are not applicable. Hence reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits, as per the directives issued by Reserve Bank of India and the provisions of the section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, goods and services tax, customs or excise duty or value added tax which have not been deposited on account of any dispute.
- viii. As represented by the Management, there were no transactions which were previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence,



- reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the standalone financial statements of the Company, there are no funds raised on short- term basis during the year. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
 - (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has made preferential allotment or private placement of shares (compulsory convertible preference shares) and the requirements of section 42 and section 62 have been complied with the funds raised and the funds raised have been used for the purposes for which the funds were raised.
- xi. (a) As represented by the Management, no fraud by the Company and no material fraud 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 in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) Establishment of vigil mechanism is not mandated for the Company as required under section 177 of the Act. As represented to us by the management, there are no whistle blower complaints received by the Company during the year. hence, reporting under clause 3(xi)(c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence, reporting under clause (xii) of the Order is not applicable.
- xiii. Transactions with the related parties are in compliance with section 188 of the Act, where applicable, and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations provided to us,



Internal Audit is not applicable to the Company as per Section 138 of the Companies Act, 2013. Hence, clause 3(xiv) of the Order is not applicable.

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors as per the provisions of section 192 of the Companies Act, 2013. Hence, reporting under clause 3(xv) of the Order is not applicable to the Company
- xvi. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 therefore reporting under clause 3(xvi)(a) to (d) is not required.
- xvii. The Company has incurred cash losses during the financial year covered by our audit. The cash losses incurred are Rs 1,17,36,8 hundreds.
- xviii. During the year there was no Resignation of the previous Auditors. Hence reporting under clause 3 (xviii) of the Order is not applicable to the company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based on the verification of the details provided, the criteria specified under section 135 of the Act is not fulfilled and hence the requirement of spending on Corporate Social Responsibility is not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W



Viral J. Shah

Partner

Membership No.: 110120

UDIN: 22110120AVIRTF9648

Place: Mumbai

Date: September 23, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Pratech Brands Private Limited on the Standalone financial statements for the year ended March 31, 2022)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting, and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For V. C. Shah & Co.

Chartered Accountants

ICAI Firm Registration No.109818W



Viral J. Shah

Partner

Membership No.: 110120

UDIN: 22110120 AV1RTF 9648

Place: Mumbai

Date: September 23, 2022



PART I - BALANCE SHEET

Name of the Company: Pratech Brands Private Limited
Balance Sheet as at March 31, 2022

₹ in thousand

		Particulars	Note No.	Figures as at March 31, 2022
		EQUITY AND LIABILITIES		
1.		Shareholders' Fund		
	a	Share Capital	3	65,465
	b	Reserves and surplus	4	210,133
2.		Share application money pending allotment		
3.		Non- current liabilities		
	a	Deferred tax liabilities (Net)	8	29
4.		Current liabilities		
	a	Short-term borrowings	5	255
	b	Trade Payables		
		(A) total outstanding dues of micro enterprises and small enterprises; and		-
		(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-
	c	Other current liabilities	6	1,796
	d	Short-term provisions	7	110
		Total		277,787
		ASSETS		
1.		Non-current assets		
	a i	Property, plant and Equipment	8	734
	ii	Intangible assets	8	130
	ii	Intangible assets under development	8	2,494
	b	Non-current investments	9	8,500
	e	Other non-current assets	10	903
2.		Current assets		
	a	Current Investments	11	254,063
	b	Inventories	20	5,415
	c	Trade receivables	12	200
	d	Cash and cash equivalents	13	1,808
	e	Short-term loans and advances	14	1,580
	f	Other current assets	15	1,960
		Total		277,787

The accompanying notes form an integral part of the financial statements.

Significant accounting policies

2

As per our report of even date attached
For V. C. Shah & Co.
Chartered Accountants
Firm's Registration No. 109818W

Viral J. Shah
Partner
Membership No. 110120



Place : Mumbai
Date : 23/09/2022

For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh
Director
DIN - 07926070

Neehar Modi
Director
DIN - 09396436

Anvi Shah
Director
DIN - 06384756



PART II –STATEMENT OF PROFIT AND LOSS

Name of the Company: Pratech Brands Private Limited
Profit and loss statement for the year ended March 31, 2022

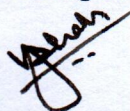
		₹ in thousand	
	Particulars	Note No.	Figures for the year ended on March 31, 2022
I.	Revenue from operations	17	171
II.	Other income	18	115
III.	Total Income (I + II)		286
IV.	Expenses:		
	Purchase of Stock-in-Trade	19	5,512
	Change in Inventories of Stock-in-Trade	20	(5,415)
	Employee benefits expense	21	3,682
	Finance Cost		-
	Depreciation and amortization expense	8	51
	Other expenses	22	5,932
	Total expenses		9,762
V.	Profit (Loss) before exceptional and extraordinary items and tax (III-IV)		(9,476)
VI.	Exceptional items		-
VII.	Profit (Loss) before extraordinary items and tax (V - VI)		(9,476)
VIII.	Extraordinary Items		-
IX.	Profit before tax (VII- VIII)		(9,476)
X.	Tax expense:		
	(1) Current tax		
	(2) Deferred tax	8	29
XI.	Profit (Loss) for the period from continuing operations (IX-X)		(9,504)
XII.	Profit/(loss) from discontinuing operations		-
XIII.	Tax expense of discontinuing operations		-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-
XV.	Profit (Loss) for the period (XI + XIV)		(9,504)
XVI.	Earnings per equity share:		
	(1) Basic (₹)	23	(15.42)

The accompanying notes form an integral part of the financial statements.

Significant accounting policies

2

As per our report of even date attached
For V. C. Shah & Co.
Chartered Accountants
Firm's Registration No. 109818W

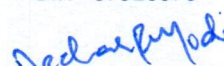


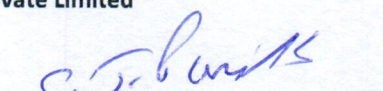
Viral J. Shah
Partner
Membership No. 110120



For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh
Director
DIN - 07926070


Neehar Modi
Director
DIN - 09396436


Anvi Shah
Director
DIN - 06384756



Place : Mumbai
Date : 23/09/2022

PART III - Cash Flow Statement

Name of the Company: Pratech Brands Private Limited
Cash Flow Statement for the year ended 31 March, 2022

Particulars	₹ in thousand Figures for the year ended on March 31, 2022
A. Cash flow from operating activities	
Net Profit / (Loss) before Tax	(9,476)
Adjustments for:	
Depreciation and amortisation	51
Employee stock option outstanding account	101
Operating Profit before Working capital changes	(9,323)
Adjusted for:	
Inventory	(5,415)
Other current liabilities	1,796
Short term Provisions	110
Other Non current assets	(903)
Trade receivables	(200)
Short-term loans and advances	(1,580)
Other current assets	(1,960)
	(17,475)
Cash Generated from Operations	
Current Taxes	-
Net Cash Generated from Operations	(17,475)
B. Cash flow from investing activities	
Purchase of PPE	(777)
Purchase of Intangible assets	(2,632)
Current investment	(254,063)
Long term investment	(8,500)
Net cash used in investing activities:	(265,972)
C. Cash flow from financing activities	
Proceeds/(Repayment) of long-term borrowings	-
Short-term borrowings	255
Proceded from equity shares capital	87,002
Proceded from preference shares capital	197,999
Net cash used in financing activities	285,256
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	1,808
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	1,808

The accompanying notes form an integral part of the financial statements.

Significant accounting policies**2**

As per our report of even date attached
For V. C. Shah & Co.
Chartered Accountants
Firm's Registration No. 109818W

Viral J. Shah
Partner
Membership No. 110120

Place : Mumbai
Date : 23/09/2022



For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh
Director
DIN - 07926070

Neehar Modi
Director
DIN - 09396436

Anvi Shah
Director
DIN - 06384756



1 CORPORATE INFORMATION

Pratech Brands Private Limited ('the Company') is a company domiciled in India and incorporated on 28th June, 2021 with its Registered Office situated at B/48, 4Th Floor, B-Wing Todi Estate, Sun Mill Compound, Lower Parel West, Mumbai.

The Company source, trade, buy, sell, import, export, retail, deal in and to launch and develop new brands of all kinds of products in multiple categories such as electronics appliances and gadgets, electrical items, beauty and personal care products, health and wellness products through omni channels including digital, e-commerce, on line stores, brick and mortar stores both in India and abroad and also engage in ancillary activities of logistics, supply chain, marketing, advertising, promotions and brand building of the products dealt in,

2 SIGNIFICANT ACCOUNTING POLICIES:

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

A Basis of Accounting and Preparation of Financial Statements

1) **Basis of Accounting** : The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and as per further amendments and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to-an SMC.

2) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires that the management of the Company makes estimates and assumptions that are considered to affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent' and reasonable. Actual results could differ from those estimates.

3) Current / non current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

B Property, plant and Equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Items of property plant and equipment that are not ready for its intended use as at balance sheet date are disclosed as "Capital Work In Progress".

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss, when the item is de-recognised, Gains are not classified as revenue.



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

C Depreciation

Depreciation is provided using the straight line method based on useful lives of the assets prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

Furniture and fittings - 10 Years

End user devices, such as, desktops, laptops - 3 Years

Electrical Installations and Equipment - 10 Years

Intangible Assets - 10 Years

D Revenue Recognition

Sales are recorded net of trade discounts & rebates. Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. All revenues are recognised net of GST as applicable.

Other Income is recognised on accrual basis.

Income from investments is recognised on realisation of gain taking into account the amounts invested and the redemption value (net of transaction cost)

E Foreign Currency transactions

The reporting currency of the Company is Indian rupee.

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the statement of profit and loss. Other non-monetary items like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction.

F Lease

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the statement of Profit and Loss on a straight line basis over the lease term. Lease, which transfers to the lessee, substantially all risks and rewards incidental to ownership of the asset, is classified as a finance lease

G Income Taxes

Provision for taxation is made on the basis of the taxable profit computed for the current accounting year in accordance with the Income Tax Act 1961.

The deferred tax for timing difference between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets arising from timing difference are recognized to the extent there is virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit.

H Earnings per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.



I Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

J Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits with banks. Cash Equivalents are short term, highly liquid investments, having a maturity of three months or less from the date of its acquisition, that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

K Cash Flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

L Employee Benefits

Short term employee benefits

Short term employee benefits are recognised as an expense in the statement of profit and loss, on accrual basis.

M Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Impairment loss is charged to the statement of profit and loss, in the year in which the asset is impaired. An impairment loss recognised in previous year is reversed, in case there is a change in the estimate of the recoverable amount.

N Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories comprise all costs of purchase incurred in bringing the inventories to their present condition and location. Cost is determined by the FIFO basis method.

O Investments

Non-current Investments carried Individually at cost less provision for diminution, other than temporary, in the value of such investments. Current Investments are carried at lower of cost and fair value. Cost of Investment include acquisition charges such as brokerage, fees and duties.



Particulars	
3 SHARE CAPITAL:	
AUTHORISED:	
73,00,000 Equity shares of ₹ 10/- each	73,000
14,00,000 Preference shares of ₹ 10/- each	14,000
Total	87,000
ISSUED, SUBSCRIBED AND PAID UP:	
53,68,994 Equity shares of ₹ 10 each fully paid up	53,690
11,77,514 0.001% CCC Preference shares of ₹ 10 each fully paid up	11,775
Total	65,465

i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Figures as at March 31, 2022	
	Nos.	₹ in Hundreds
Equity shares		
Outstanding as at the beginning of the year	-	-
Issued during the year	5,368,994	53,690
Outstanding as at the end of the year	5,368,994	53,690
Preference shares		
Outstanding as at the beginning of the year	-	-
Issued during the year	1,177,514	11,775
Outstanding as at the end of the year	1,177,514	11,775

ii) Shares in the company held by each shareholder holding more than 5 percent shares:

Equity shares		Percentage of Shares	
Sr.	Shareholder name	Number of Shares	held
1	Neehar Rejesh Modi	1,475,087	22.53%
2	Anvi Nishith Shah	1,473,200	22.50%
3	Shruti Sachin Parikh	982,680	15.01%
4	Sachin Jatin Parikh	982,844	15.01%
Total		982,844	75.06%
Preference shares		Percentage of Shares	
Sr.	Shareholder name	Number of Shares	held
1	Surge Ventures	1,177,524	17.99%
Total		1,177,524	17.99%

iii) Shareholding of Promoters as below:

Equity shares		Percentage of Shares	
Sr.	Promoter name	Number of Shares	held
1	Neehar Rejesh Modi	1,475,087	22.53%
2	Anvi Nishith Shah	1,473,200	22.50%
3	Shruti Sachin Parikh	982,680	15.01%
4	Sachin Jatin Parikh	982,844	15.01%
Total		4,913,811	75.06%

iv) Terms / right attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

v) Terms / right attached to preference shares

The Pre-Seed CCCPS shall be governed by the following terms and conditions pursuant to Share Subscription Agreement (SSA) dated March 08, 2022 read with any amendment thereto

1. **Dividend:** Minimum preferential dividend rate is 0.001% (Zero point Zero Zero One Percent) per annum (the "Pre-Seed Preferential Dividend"). The Pre-Seed Preferential Dividend is cumulative, provided that it is due only when declared, prior and in preference to any dividend or distribution payable upon the Equity Securities of any class or series in the same fiscal year.



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

2. Liquidation Preference: In the event of a Liquidity Event, each holder of Pre-Seed CCCPS (or the holder of Equity Shares issued upon conversion of Pre-Seed CCCPS into Equity Shares) shall be entitled to be paid an amount, in preference to any other Shareholder ("Pre-Seed Preference Amount"), which is higher of (i) an amount calculated pro-rata to its shareholding in the Company (on an as-if-converted basis); or (ii) the Subscription Amount along with all due and unpaid dividends pertaining to such Pre-Seed CCCPS. In the event that the assets of the Company available for distribution do not exceed the amounts necessary to pay the Pre-Seed Preference Amount, the entire amount so available shall be paid to the holders of the Pre-Seed CCCPS pro-rata to the amount invested by them towards subscription to their respective Pre-Seed CCCPS.

3. Conversion of the Pre-Seed CCCPS

3.1 Conversion

(a) Each Pre-Seed CCCPS may be converted into Equity Shares at a ratio of 1:1 subject to adjustments from time to time as provided herein ("Pre-Seed Conversion Ratio"). Subject to compliance with applicable Laws, each Pre-Seed CCCPS shall automatically be converted into Equity Shares, at the Pre-Seed Conversion Ratio upon the earlier of (i) one day prior to the expiry of 20 (twenty) years from the Closing Date; (ii) a Future Issuance; or (iii) at such later date as may be permitted under Law.

(b) In the event that the Company undertakes any form of restructuring of its share capital ("Capital Restructuring") including but not limited to: (1) consolidation or sub-division or splitting up of its shares; (ii) issue of bonus shares; (iii) issue of shares in a scheme of arrangement (including amalgamation or demerger); and (iv) reclassification of shares or variation of rights into other kinds of securities, the number of Equity Shares that each Pre-Seed CCCPS converts into for each such Equity Share shall be adjusted accordingly in a manner that the holders of Pre-Seed CCCPS receive such number of Equity Shares that the holders of Pre-Seed CCCPS would have been entitled to receive immediately after occurrence of any such Capital Restructuring had the conversion of the Pre-Seed CCCPS occurred immediately prior to the occurrence of such Capital Restructuring.

3.2. Voting Rights: Each Pre-Seed CCCPS shall entitle the holder to the number of votes equal to the number of whole or fractional Equity Shares into which such Pre-Seed CCCPS could then be converted (based on the Pre-Seed Conversion Ratio). Sections 43 and 47 of the Companies Act, 2013 shall not be applicable to the Company.

vi)

Employee Stock Option Plan (ESOP)

Accounting policy

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated intrinsic value of the awards on the grant date. The estimated intrinsic value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

"Employee Stock Option Plan 2022" (hereinafter referred to as "ESOS 2022")

On January 21, 2022, pursuant to approval by the shareholders in the Extraordinary General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under "Employee Stock Option Plan 2022". The maximum number of shares under ESOS 2022 shall not exceed 5,90,000 equity shares.

The summary of grants during the years ended March 31, 2022 are as follows :

	ESOS 2022 Figures as at March 31, 2022
Equity-settled stock units	-
Key Managerial Personnel (KMP)	-
Employees other than KMP	88,314
Total grants	88,314

During the period ended 31 March, 2022, the Company had a share-based payment arrangements, which are described below:

	Senior management stock option plan
Date of grant	25-Jan-22
Number granted	88,314

The ESOPs shall vest equally on the third (3), fourth (4), and fifth (5) anniversary from the Closing Date.

Vesting conditions

4

Reserves and surplus

Particulars

	Figures as at March 31, 2022
(A) Securities premium account	-
Opening balance	33,312
Additions during the year (Equity)	186,224
Additions during the year (Preference)	-
Closing balance	219,536

(B) Employee stock option outstanding account

101



Name of the Company: Pratech Brands Private Limited

Notes on Financial Statements for the year ended March 31, 2022

(C) Surplus/ (Deficit) in statement of profit and loss account

Opening balance

Net Profit / (Loss) for the year

Closing balance

Total

(9,504)

(9,504)

210,133

- 5 Short term borrowing
Unsecured Loans and advances from related parties
Advances From directors for expenses

255

255

- 6 Other current liabilities:

Statutory dues

370

Salary payable

664

Directors remuneration payable

251

Payables for operating expenses

512

Total

1,796

- 7 Short-term provisions

Audit fees

110

- 9 Non-Current Investments (Unquoted)

Investments in subsidiaries (Unquoted, fully paid up)

Investments in Equity Instruments of Subsidiaries (at cost)

Hyuga Health & Wellness Private Limited

4,500

4,50,000 fully paid equity shares of ₹ 10 each

Investments in subsidiaries (Unquoted, partly paid up)

Investments in Equity Instruments of Subsidiaries (at cost)

Inaari Life Private Limited

4,000

10,00,000 partly paid equity shares of ₹ 2 each

8,500

- 10 Other non-current assets
Unsecured considered good

Security deposits

903

Total

903

- 11 Current investments
Quoted investment (at fair value)
Investments in Mutual Funds Units

254,063

Total

254,063

- 12 Trade receivables ageing schedule
As on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	200	-	-	-	-	200
(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	-	-	-	-	-	-

- 13 Cash & cash equivalents
Cash on hand
Balances with banks in current accounts

2

1,806

Total

1,808



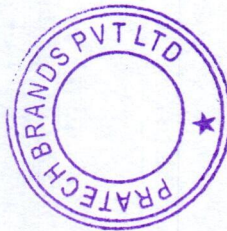
Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

14	Short-term loans and advances: (Unsecured, Considered Good) Advance to related parties for expenses Hyuga Ecommerce Private Limited Advance for Import	139 700 741
	Total	1,580
15	Other current assets GST Input Credit TDS Receivable (FY 2021-22) Prepaid Expenses	1,934 2 25
	Total	1,960
16	Ratios	
a.	Current Ratio Current Ratio = Current Assets/ Current Liabilities	122.63
b.	Debt-Equity Ratio Debt – Equity Ratio = Total Debt/ Shareholder's Equity	NA
c.	Debt Service Coverage Ratio Debt Service Coverage Ratio = Earnings available for debt service / Debt Service	NA
d.	Return on Equity Ratio ROE = Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	(0.12)
e.	Inventory Turnover ratio Inventory Turnover ratio = Cost of goods sold OR sales/ Average Inventory	0.06
f.	Trade Receivables turnover ratio Trade receivables turnover ratio = Net Credit Sales / Average Accounts Receivable	1.71
g.	Trade payables turnover ratio Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables	NA
h.	Net capital turnover ratio Net capital turnover ratio = Net Sales/ Average Working Capital	0.00
i.	Net Profit Ratio Net Profit Ratio = Net Profit / Net Sales	(55.57)
j.	Return on capital employed (ROCE) ROCE = Earning before interest and taxes / Capital Employed	(0.03)
k.	Return on Investment (ROI) Return on Units of mutual funds $\frac{MV(T1) - MV(T0) - \text{Sum } [C(t)]}{(MV(T0) + \text{Sum } [W(t) * C(t)])}$	4.06%



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022
Note 8: Fixed assets:

DESCRIPTION	₹ in thousand									
	As at April 1, 2021	Useful life (Years) as per Sch II	Gross carrying value		Accumulated depreciation		Net carrying value		As at April 1, 2021	
			As at April 1, 2021	As at March 31, 2022	Deductions	As at March 31, 2022	As at April 1, 2021	As at March 31, 2022	As at April 1, 2021	As at March 31, 2022
(A) Property, Plant and Equipment										
Furniture and fittings	-	10	18	18	-	0	-	0	-	18
End user devices, such as, desktops, laptops	-	3	705	705	-	41	-	41	-	664
Electrical Installations and Equipment	-	10	54	54	-	2	-	2	-	53
	-		777	777	-	43	-	43	-	734
(B) Intangible assets										
Trademark	-	10	138	138	-	8	-	8	-	130
(C) Intangible assets under development	-	-	2,494	2,494	-	-	-	-	-	2,494
Total	-	-	3,409	3,409	-	51.44	-	51	-	3,358
Previous Year	-	-	-	-	-	-	-	-	-	-



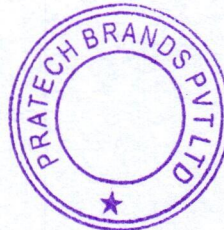
Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

Particulars	₹ in thousand Year ended March 31, 2022
17 Revenue from operations	
Sales of products	171
Total	171
18 Other income	
Net gain on sale of mutual funds	73
Foreign exchange gain	42
Total	115
19 Purchase of Stock in Trade	
Purchase	5,512
Total	5,512
20 Change in Inventories of Stock-in-Trade	
Opening Balance	-
Less : Closing Balance	5,415
Total	(5,415)
21 Employee benefit expense	
Directors Remmuneration	2,108
Employees Salary	1,473
Employee stock option scheme (ESOP)	101
Total	3,682



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

Particulars	₹ in thousand Year ended March 31, 2022
22 Other expense	
Bank charges	70
General Admin expenses	191
Marketing Expenses	1,240
Professional Fees	3,349
Office Rent	650
Electricity Charges	24
Sales commission	19
Donations	7
Interest on duties and taxes	3
Preliminary expenses	6
Printing and stationery	36
Repairs and maintenance	126
Statutory Audit fees	110
Product Sample cost	66
Travelling expenses	37
Write off	(0)
Total	5,932



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

₹ in thousand
Year ended
March 31, 2022

23 Earnings Per Equity Share :

(Face value of 10 each):

Number of Equity Shares as at the beginning of the year

Number of Equity Shares as at the end of the year

Weighted average number of equity shares outstanding

Net Profit/(Loss) for the year

Earnings per equity share

Equity share of par value of ₹ 10 each

Basic (₹)

5,368,994

616,237

(9,504)

(15.42)

24 Related Party disclosures

i. List of related parties

Name of the Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Hyuga Health & Wellness Private Limited

Inaari Life Private Limited

Relationship

Director

Director

Director

Subsidiary

Subsidiary

ii. Transactions with Related Parties

Name of Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Hyuga Health & Wellness Private Limited

Inaari Life Private Limited

Nature of

Transaction

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Advance for expenses

Advance for expenses

Year ended

March 31, 2022

3,415

1,363

1,552

93

2,546

iii. Balances at year End

Name of Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Hyuga Health & Wellness Private Limited

Inaari Life Private Limited

Nature of

Transaction

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Advance for expenses

Advance for expenses

Year ended

March 31, 2022

126

258

122

93

46

25 In the opinion of the Board, all the assets (other than fixed assets and non current investments) have a value on realisation in the ordinary course of business at least to the amount at which they are stated in the Balance Sheet and provisions for all the known/expected liabilities have been made.

26 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has not borrowed from banks and financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.



Name of the Company: Pratech Brands Private Limited
Notes on Financial Statements for the year ended March 31, 2022

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

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:

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

a

b provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding

c Party (Ultimate Beneficiaries) or

d provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Loans or Advances

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related parties	139	100.00%
	139	100.00%



Name of the Company: Pratech Brands Private Limited

Notes on Financial Statements for the year ended March 31, 2022

(xii) Intangible assets under development:

(a) Intangible assets under development aging schedule

₹ in thousand

Amount in CWIP for a period of

*Total

Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,494				2,494

(b) No Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Other regulatory information

(i) Title deeds of immovable properties not held in name of the company

The Company does not have immovable property, hence this clause is not applicable.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are to be registered with the Registrar of Companies.

(iii) Utilisation of borrowings availed from banks and financial institutions

The Company has not borrowed from banks and financial institutions, hence this clause is not applicable.

27 DETAILS ON PENDING LITIGATIONS

There are no pending litigations, hence this clause is not applicable.

28 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment.

As per our report of even date attached

For V. C. Shah & Co.

Chartered Accountants

Firm's Registration No. 109818W

Viral J. Shah

Partner

Membership No. 110120

Place : Mumbai

Date : 23/03/2022



For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh

Director

DIN - 07926070

Neehar Modi

Director

DIN - 09396436

Anvi Shah

Director

DIN - 06384756



INDEPENDENT AUDITOR'S REPORT

To the Members of Pratech Brands Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Pratech Brands Private Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31st March 2022, and the consolidated statement of Profit and Loss, and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (herein referred as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, and its consolidated loss, and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon.

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read



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

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

Responsibility of Management for Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.



Report on Other Legal and Regulatory Requirements

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 relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) Based on the nature and size of business, information and explanation given by the Management, the Holding Company and its subsidiary company has adequate internal financial controls based on the internal control over financial reporting criteria established by the Institute of Chartered Accountants of India ('ICAI'). Those were operating effectively for ensuring the orderly and efficient conduct of its business in terms of 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 Act.

In our opinion, the Holding Company and its subsidiary company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.
- (g) 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 Group does not have any pending litigations which would impact its consolidated financial position.
- ii. The Group 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 Holding Company and its subsidiary company incorporated in India.
- a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("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 Group ("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 (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- iv. The Group has not declared and paid any dividend during the year and hence the compliance with respect to section 123 of the Act is not applicable.

For V.C. Shah & Co.

Chartered Accountants.

Firm Registration No. 109818W



Viral.J. Shah

Partner

Membership No.: 110120

UDIN: 22110120 AVJAGW 6162

Place: Mumbai

Date: September 23, 2022

PART I - CONSOLIDATED BALANCE SHEET

Name of the Company: Pratech Brands Private Limited
Balance Sheet as at March 31, 2022

		Particulars	Note No.	₹ in thousand Figures as at March 31, 2022
1.		EQUITY AND LIABILITIES		
		Shareholders' Fund		
	a	Share Capital	3	65,465
	b	Reserves and surplus	4	209,805
2.		Minority Interest	5	1,260
3.		Non- current liabilities		
	a	Deferred tax liabilities (Net)	8	29
4.		Current liabilities		
	a	Short-term borrowings	6	618
	b	Trade Payables		
		(A) total outstanding dues of micro enterprises and small enterprises; and		-
		(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		-
	c	Other current liabilities	7	2,326
	d	Short-term provisions	9	155
		Total		279,658
1.		ASSETS		
		Non-current assets		
	a i	Property, plant and Equipment	8	734
	ii	Intangible assets	8	3,292
	ii	Intangible assets under development	8	3,291
	b	Non-current investments		-
	e	Other non-current assets	10	903
2.		Current assets		
	a	Current Investments	11	254,063
	b	Inventories		5,415
	c	Trade receivables	12	200
	d	Cash and cash equivalents	13	8,239
	e	Short-term loans and advances	14	1,441
	f	Other current assets	15	2,080
		Total		279,658

The accompanying notes form an integral part of the financial statements.

Significant accounting policies

2

As per our report of even date attached
For V. C. Shah & Co.
Chartered Accountants
Firm's Registration No. 109818W

Viral J. Shah
Partner
Membership No. 110120



For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh
Director
DIN - 07926070

Neehar Modi
Director
DIN - 09396436

Anvi Shah
Director
DIN - 06384756



Place : Mumbai
Date : 23/09/2022

PART II –CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Name of the Company: Pratech Brands Private Limited
Profit and loss statement for the year ended March 31, 2022

₹ in thousand

	Particulars	Note No.	Figures for the year ended on March 31, 2022
I.	Revenue from operations	17	171
II.	Other income	18	115
III.	Total Income (I + II)		286
IV.	Expenses:		
	Purchase of Stock-in-Trade	19	5,512
	Change in Inventories of Stock-in-Trade	20	(5,415)
	Employee benefits expense	21	3,798
	Finance Cost		-
	Depreciation and amortization expense	8	173
	Other expenses	22	6,156
	Total expenses		10,224
V.	Profit (Loss) before exceptional and extraordinary items and tax (III-IV)		(9,938)
VI.	Exceptional items		-
VII.	Profit (Loss) before extraordinary items and tax (V - VI)		(9,938)
VIII.	Extraordinary Items		-
IX.	Profit before tax (VII- VIII)		(9,938)
X.	Tax expense:		
	(1) Current tax		
	(2) Deferred tax	8	29
XI.	Profit (Loss) for the period from continuing operations (IX-X)		(9,966)
XII.	Profit/(loss) from discontinuing operations		-
XIII.	Tax expense of discontinuing operations		-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-
XV.	Profit (Loss) for the period (XI + XIV)		(9,966)
XVI.	Profit and Loss attributable to		
	Owners of the Company		(9,832)
	Minority interest		(135)
XVII.	Earnings per equity share:		
	(1) Basic (₹)	23	(15.95)

The accompanying notes form an integral part of the financial statements.

Significant accounting policies

2

As per our report of even date attached
For V. C. Shah & Co.
Chartered Accountants
Firm's Registration No. 109818W

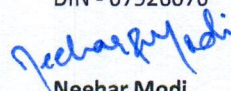


Viral J. Shah
Partner
Membership No. 110120

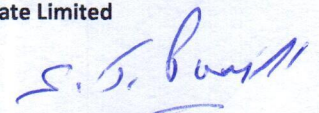


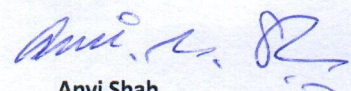
For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh
Director
DIN - 07926070



Neehar Modi
Director
DIN - 09396436





Anvi Shah
Director
DIN - 06384756



Place : Mumbai
Date : 23/09/2022

PART III - CONSOLIDATED CASH FLOW STATEMENT

Name of the Company: Pratech Brands Private Limited

Cash Flow Statement for the year ended 31 March, 2022

Particulars	₹ in thousand Figures for the year ended on March 31, 2022
A. Cash flow from operating activities	
Net Profit / (Loss) before Tax	(9,938)
Adjustments for:	
Depreciation and amortisation	173
Employee stock option outstanding account	101
Operating Profit before Working capital changes	(9,663)
Adjusted for:	
Inventory	(5,415)
Other current liabilities	2,326
Short term Provisions	155
Other Non current assets	(903)
Trade receivables	(200)
Short-term loans and advances	(1,441)
Other current assets	(2,080)
Minority Interest	1,395
Cash Generated from Operations	(15,826)
Current Taxes	-
Net Cash Generated from Operations	(15,826)
B. Cash flow from investing activities	
Purchase of PPE	(777)
Purchase of Intangible assets	(3,429)
Goodwill	(3,284)
Current investment	(254,063)
Long term investment	-
Adjustment for Minority interest	-
Net cash used in investing activities:	(261,554)
C. Cash flow from financing activities	
Proceeds/(Repayment) of long-term borrowings	-
Short-term borrowings	618
Proceded from equity shares capital	87,002
Proceded from preference shares capital	197,999
Net cash used in financing activities	285,619
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	8,239
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	8,239

The accompanying notes form an integral part of the financial statements.

Significant accounting policies

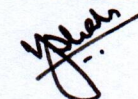
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As per our report of even date attached

For V. C. Shah & Co.

Chartered Accountants

Firm's Registration No. 109818W



Viral J. Shah
Partner

Membership No. 110120

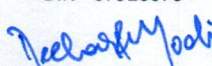


For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh

Director

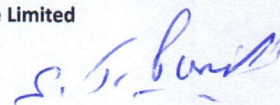
DIN - 07926070



Neehar Modi

Director

DIN - 09396436



Anvi Shah

Director

DIN - 06384756

Place : Mumbai

Date : 23/09/2022



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

1 CORPORATE INFORMATION

Pratech Brands Private Limited ('the Company') is a company domiciled in India and incorporated on 28th June, 2021 with its Registered Office situated at B/48, 4Th Floor, B-Wing Todi Estate, Sun Mill Compound, Lower Parel West, Mumbai.

The Company source, trade, buy, sell, import, export, retail, deal in and to launch and develop new brands of all kinds of products in multiple categories such as electronics appliances and gadgets, electrical items, beauty and personal care products, health and wellness products through omni channels including digital, e-commerce, on line stores, brick and mortar stores both in India and abroad and also engage in ancillary activities of logistics, supply chain, marketing, advertising, promotions and brand building of the products dealt in, through digital, print, electronic and other media.

2 SIGNIFICANT ACCOUNTING POLICIES:

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

A Basis of Accounting and Preparation of Consolidated Financial Statements

1) Basis of Consolidation : The consolidated financial statements of the Group are prepared in accordance with Accounting Standard 21 (AS-21), "Consolidated Financial Statements" specified under Section 133 and the relevant provisions of the Companies Act, 2013 as amended from time to time. The Company consolidates entities in which it holds, directly or indirectly through subsidiaries, more than 50% of the voting rights or where it exercises control . On a line by line basis by adding together like items of assets, liabilities, income and expenses in accordance with AS-21. The Goodwill or Capital Reserve on consolidation represents the difference between the Group's share in the networth of the subsidiary and the cost of acquisition at the time of making investment in the subsidiary. Intra group balances, intragroup transactions and resulting unrealised profits, if any, are eliminated in full. Unrealised losses resulting from intragroup transactions are also eliminated unless cost cannot be recovered. Goodwill on consolidation is not amortised. Assessment is done at each balance sheet date as to whether there is any indication that goodwill may be impaired. Minority interest representing the part of net results of operations and of the net assets of subsidiary attributable to interests not owned directly or indirectly through subsidiaries is presented separately from liabilities and the equity. The financial statements of the subsidiaries and associates used in consolidation are drawn up to the same reporting date as that of the holding Company i.e. 31st March, 2022.

The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to an SMC

2) Accounting Methodology : The Consolidated Financial Statements have been prepared on historical cost basis of accounting. The Group adopts the accrual method of accounting and historical cost convention unless stated otherwise. The Group has prepared these consolidated financial statements to comply in all material respects with the Accounting Standards notified under Section 133 and the relevant provisions of the Companies Act, 2013. In case the accounting policies followed by consolidating entities are different from those followed by Company, the same have been disclosed separately.

3) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires that the management of the Company makes estimates and assumptions that are considered to affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates.

4) Current / non current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the provision of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.



Name of the Company: Pratech Brands Private Limited

Notes on Consolidated Financial Statements for the year ended March 31, 2022

B Property, plant and Equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. Items of property plant and equipment that are not ready for its intended use as at balance sheet date are disclosed as "Capital Work In Progress".

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss, when the item is de-recognised, Gains are not classified as revenue.

C Depreciation

Depreciation is provided using the straight line method based on useful lives of the assets prescribed in Schedule II to the Companies Act, 2013.

Estimated useful lives of the assets are as follows:

Furniture and fittings - 10 Years

End user devices, such as, desktops, laptops - 3 Years

Electrical Installations and Equipment - 10 Years

Intangible assets - 10 Years

D Revenue Recognition

Sales are recorded net of trade discounts & rebates. Revenue from sale of products is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. All revenues are recognised net of GST as applicable.

Other Income is recognised on accrual basis.

Income from investments is recognised on realisation of gain taking into account the amounts invested and the redemption value (net of transaction cost)

E Foreign Currency transactions

The reporting currency of the Company is Indian rupee.

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Foreign currency monetary items are reported using closing rate of exchange at the end of the year. The resulting exchange gain/loss is reflected in the statement of profit and loss. Other non-monetary items like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction.

F Lease

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vests with lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized in the statement of Profit and Loss on a straight line basis over the lease term. Lease, which transfers to the lessee, substantially all risks and rewards incidental to ownership of the asset, is classified as a finance lease

G Income Taxes

Provision for taxation is made on the basis of the taxable profit computed for the current accounting year in accordance with the Income Tax Act 1961.

The deferred tax for timing difference between the book profits and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets arising from timing difference are recognized to the extent there is virtual certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profit.



H Earnings per share (EPS)

Basic EPS is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

I Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

J Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits with banks. Cash Equivalents are short term, highly liquid investments, having a maturity of three months or less from the date of its acquisition, that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.

K Cash Flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

L Employee Benefits

Short term employee benefits

Short term employee benefits are recognised as an expense in the statement of profit and loss, on accrual basis.

M Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. Impairment loss is charged to the statement of profit and loss, in the year in which the asset is impaired. An impairment loss recognised in previous year is reversed, in case there is a change in the estimate of the recoverable amount.

N Inventories

Inventories are valued at lower of cost and net realizable value. Cost of inventories comprise all costs of purchase incurred in bringing the inventories to their present condition and location. Cost is determined by the FIFO basis method.

O Investments

Non-current Investments carried Individually at cost less provision for diminution, other than temporary, in the value of such investments. Current Investments are carried at lower of cost and fair value. Cost of Investment include acquisition charges such as brokerage, fees and duties.



Particulars	
3 SHARE CAPITAL:	
AUTHORISED:	
73,00,000 Equity shares of ₹ 10/- each	73,000
14,00,000 Preference shares of ₹ 10/- each	14,000
Total	87,000
ISSUED, SUBSCRIBED AND PAID UP:	
53,68,994 Equity shares of ₹ 10 each fully paid up	53,690
11,77,514 0.001% CCC Preference shares of ₹ 10 each fully paid up	11,775
Total	65,465

i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Figures as at March 31, 2022 Nos.	₹ in Hundreds
Equity shares		
Outstanding as at the beginning of the year	-	-
Issued during the year	5,368,994	53,690
Outstanding as at the end of the year	5,368,994	53,690
Preference shares		
Outstanding as at the beginning of the year	-	-
Issued during the year	1,177,514	11,775
Outstanding as at the end of the year	1,177,514	11,775

ii) Shares in the company held by each shareholder holding more than 5 percent shares:

Equity shares		Number of Shares	Percentage of Shares held
Sr.	Shareholder name		
1	Neehar Rejesh Modi	1,475,087	22.53%
2	Anvi Nishith Shah	1,473,200	22.50%
3	Shruti Sachin Parikh	982,680	15.01%
4	Sachin Jatin Parikh	982,844	15.01%
Total		982,844	75.06%
Preference shares		Number of Shares	Percentage of Shares held
Sr.	Shareholder name		
1	Surge Ventures	1,177,524	17.99%
Total		1,177,524	17.99%

iii) Shareholding of Promoters as below:

Promoter name		Number of Shares	Percentage of Shares held
Sr.	Promoter name		
1	Neehar Rejesh Modi	1,475,087	22.53%
2	Anvi Nishith Shah	1,473,200	22.50%
3	Shruti Sachin Parikh	982,680	15.01%
4	Sachin Jatin Parikh	982,844	15.01%
Total		4,913,811	75.06%

iv) Terms / right attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

v) Terms / right attached to preference shares

The Pre-Seed CCCPS shall be governed by the following terms and conditions pursuant to Share Subscription Agreement (SSA) dated March 08, 2022 read with any amendment thereto



1. Dividend: Minimum preferential dividend rate is 0.001% (Zero point Zero Zero One Percent) per annum (the "Pre-Seed Preferential Dividend"). The Pre-Seed Preferential Dividend is cumulative, provided that it is due only when declared, prior and in preference to any dividend or distribution payable upon the Equity Securities of any class or series in the same fiscal year.

2. Liquidation Preference: In the event of a Liquidity Event, each holder of Pre-Seed CCCPS (or the holder of Equity Shares issued upon conversion of Pre-Seed CCCPS into Equity Shares) shall be entitled to be paid an amount, in preference to any other Shareholder ("Pre-Seed Preference Amount"), which is higher of (i) an amount calculated pro-rata to its shareholding in the Company (on an as-if-converted basis); or (ii) the Subscription Amount along with all due and unpaid dividends pertaining to such Pre-Seed CCCPS. In the event that the assets of the Company available for distribution do not exceed the amounts necessary to pay the Pre-Seed Preference Amount, the entire amount so available shall be paid to the holders of the Pre-Seed CCCPS pro-rata to the amount invested by them towards subscription to their respective Pre-Seed CCCPS.

3. Conversion of the Pre-Seed CCCPS

3.1 Conversion

(a) Each Pre-Seed CCCPS may be converted into Equity Shares at a ratio of 1:1 subject to adjustments from time to time as provided herein ("Pre-Seed Conversion Ratio"). Subject to compliance with applicable Laws, each Pre-Seed CCCPS shall automatically be converted into Equity Shares, at the Pre-Seed Conversion Ratio upon the earlier of (i) one day prior to the expiry of 20 (twenty) years from the Closing Date; (ii) a Future Issuance; or (iii) at such later date as may be permitted under Law.

(b) In the event that the Company undertakes any form of restructuring of its share capital ("Capital Restructuring") including but not limited to: (1) consolidation or sub-division or splitting up of its shares; (ii) issue of bonus shares; (iii) issue of shares in a scheme of arrangement (including amalgamation or demerger); and (iv) reclassification of shares or variation of rights into other kinds of securities, the number of Equity Shares that each Pre-Seed CCCPS converts into for each such Equity Share shall be adjusted accordingly in a manner that the holders of Pre-Seed CCCPS receive such number of Equity Shares that the holders of Pre-Seed CCCPS would have been entitled to receive immediately after occurrence of any such Capital Restructuring had the conversion of the Pre-Seed CCCPS occurred immediately prior to the occurrence of such Capital Restructuring.

3.2. Voting Rights: Each Pre-Seed CCCPS shall entitle the holder to the number of votes equal to the number of whole or fractional Equity Shares into which such Pre-Seed CCCPS could then be converted (based on the Pre-Seed Conversion Ratio). Sections 43 and 47 of the Companies Act, 2013 shall not be applicable to the Company.

vi)

Employee Stock Option Plan (ESOP)

Accounting policy

The Company recognizes compensation expense relating to share-based payments in net profit based on estimated intrinsic value of the awards on the grant date. The estimated intrinsic value of awards is recognized as an expense in the statement of profit and loss on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

"Employee Stock Option Plan 2022" (hereinafter referred to as "ESOS 2022")

On January 21, 2022, pursuant to approval by the shareholders in the Extraordinary General Meeting, the Board has been authorized to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under "Employee Stock Option Plan 2022". The maximum number of shares under ESOS 2022 shall not exceed 5,90,000 equity shares.

The summary of grants during the years ended March 31, 2022 are as follows :

Particulars

Equity-settled stock units

Key Managerial Personnel (KMP)

Employees other than KMP

Total grants

ESOS 2022
Figures as at March 31,
2022

88,314

88,314

During the period ended 31 March, 2022, the Company had a share-based payment arrangements, which are described below:

Senior management stock option plan

Date of grant

25-Jan-22

Number granted

88,314

Vesting conditions

The ESOPs shall vest equally on the third (3), fourth (4), and fifth (5) anniversary from the Closing Date.



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

4	Reserves and surplus	Figures as at March 31, 2022
	Particulars	
	(A) Securities premium account	
	Opening balance	-
	Additions during the year (Equity)	33,312
	Additions during the year (Preference)	186,224
	Closing balance	<u>219,536</u>
	(B) Employee stock option outstanding account	101
	(C) Surplus/ (Deficit) in statement of profit and loss account	
	Opening balance	-
	Net Profit / (Loss) for the year	(9,832)
	Closing balance	<u>(9,832)</u>
	Total	<u>209,805</u>
5	Minority Interest	
	(i) Hyuga Health & Wellness Private Limited	
	The amount of equity attributable to minorities at the date on which investment in a subsidiary is made	500
	Profit/(Loss) attributable to minority interest	(11)
	(ii) Inaari Life Private Limited	
	The amount of equity attributable to minorities at the date on which investment in a subsidiary is made	895
	Profit/(Loss) attributable to minority interest	(123)
	Total	<u>1,260</u>
6	Short term borrowing	
	Unsecured Loans and advances from related parties	
	Advances From directors for expenses	618
	Total	<u>618</u>
7	Other current liabilities:	
	Statutory dues	492
	Salary payable	780
	Directors remuneration payable	440
	Payables for operating expenses	615
	Total	<u>2,326</u>
9	Short-term provisions	
	Audit fees	155
10	Other non-current assets	
	Unsecured considered good	
	Security deposits	903
	Total	<u>903</u>
11	Current investments	
	Quoted investment (at fair value)	
	Investments in Mutual Funds Units	254,063
	Total	<u>254,063</u>



Name of the Company: Pratech Brands Private Limited

Notes on Consolidated Financial Statements for the year ended March 31, 2022

12 Trade receivables ageing schedule
As on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	200	-	-	-	-	200
(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	-	-	-	-	-	-

13	Cash & cash equivalents	
	Cash on hand	2
	Balances with banks in current accounts	8,237
	Total	8,239
14	Short-term loans and advances:	
	(Unsecured, Considered Good)	
	Hyuga Ecommerce Private Limited	700
	Advance for import	741
	Total	1,441
15	Other current assets	
	GST Input Credit	2,053
	TDS Receivable (FY 2021-22)	2
	Prepaid Expenses	25
	Total	2,080



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

16	Ratios	
a.	Current Ratio Current Ratio = Current Assets/ Current Liabilities	87.57
b.	Debt-Equity Ratio Debt – Equity Ratio = Total Debt/ Shareholder's Equity	NA
c.	Debt Service Coverage Ratio Debt Service Coverage Ratio = Earnings available for debt service / Debt Service	NA
d.	Return on Equity Ratio ROE = Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity	(0.13)
e.	Inventory Turnover ratio Inventory Turnover ratio = Cost of goods sold OR sales/ Average Inventory	0.06
f.	Trade Receivables turnover ratio Trade receivables turnover ratio = Net Credit Sales / Average Accounts Receivable	1.71
g.	Trade payables turnover ratio Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables	NA
h.	Net capital turnover ratio Net capital turnover ratio = Net Sales/ Average Working Capital	0.00
i.	Net Profit Ratio Net Profit Ratio = Net Profit / Net Sales	(58.27)
j.	Return on capital employed (ROCE) ROCE = Earning before interest and taxes / Capital Employed	(0.04)
k.	Return on Investment (ROI) Return on Units of mutual funds $\frac{\{MV(T1) - MV(T0) - \text{Sum } [C(t)]\}}{\{MV(T0) + \text{Sum } [W(t) * C(t)]\}}$	4.06%



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022
Note 8: Fixed assets:

DESCRIPTION	Gross carrying value					Accumulated depreciation			Net carrying value	
	As at April 1, 2021	Useful life (Years) as per Sch II	Additions	Deductions	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deductions	As at March 31, 2022	As at April 1, 2021
(A) Property, Plant and Equipment										
Furniture and fittings	-	10	18	-	18	-	-	-	0	-
End user devices, such as, desktops, laptops	-	3	705	-	705	-	-	-	41	-
Electrical Installations and Equipment	-	10	54	-	54	-	-	-	2	-
	-	-	777	-	777	-	-	-	43	-
(B) Intangible assets										
Goodwill	-	-	3,284	-	3,284	-	-	-	-	-
Trademark	-	-	138	-	138	-	-	-	130	-
	-	-	-	-	-	-	-	-	8	-
(C) Intangible assets under development										
	-	-	3,291	-	3,291	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
Total	-	-	7,491	-	7,491	-	-	-	173	-
Previous Year	-	-	-	-	-	-	-	-	-	-



Name of the Company: Pratech Brands Private Limited

Notes on Consolidated Financial Statements for the year ended March 31, 2022

Particulars	₹ in thousand Year ended March 31, 2022
17 Revenue from operations	
Sales of products	171
Total	171
18 Other income	
Net gain on sale of mutual funds	73
Foreign exchange gain	42
Total	115
19 Purchase of Stock in Trade	
Purchase	5,512
Total	5,512
20 Change in Inventories of Stock-in-Trade	
Opening Balance	-
Less : Closing Balance	5,415
Total	(5,415)
21 Employee benefit expense	
Pratech Brands Private Limited	
Directors Remuneration	2,108
Employees Salary	1,473
Employee stock option scheme (ESOP)	101
Inaari Life Private Limited	
Employees Salary	15
Directors Remuneration	102
Total	3,798



Name of the Company: Pratech Brands Private Limited

Notes on Consolidated Financial Statements for the year ended March 31, 2022

Particulars	₹ in thousand Year ended March 31, 2022
22 Other expense	
Pratech Brands Private Limited	
Bank charges	70
General Admin expenses	191
Marketing Expenses	1,240
Professional Fees	3,349
Office Rent	650
Electricity Charges	24
Sales commission	19
Donations	7
Interest on duties and taxes	3
Preliminary expenses	6
Printing and stationery	36
Repairs and maintenance	126
Statutory Audit fees	110
Product Sample cost	66
Travelling expenses	37
Write off	(0)
Inaari Life Private Limited	
Interest and Late Fees on Compliances	0
Marketing Expenses	71
Statutory Audit fees	25
Preliminary Exp W/off	12
Write Off	3
Hyuga Health & Wellness	
Audit Fees	20
Preliminary expenses	93
Total	6,156



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

₹ in thousand
Year ended
March 31, 2022

Earnings Per Equity Share :

23

(Face value of 10 each):

Number of Equity Shares as at the beginning of the year

-

Number of Equity Shares as at the end of the year

5,368,994

Weighted average number of equity shares outstanding

616,237

Net Profit/(Loss) for the year attributable to owners of the company

(9,832)

Earnings per equity share

Equity share of par value of ₹ 10 each

Basic (₹)

(15.95)

24 Related Party disclosures

i. List of related parties

Name of the Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Relationship

Director

Director

Director

ii. Transactions with Related Parties

Name of Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Nature of

Transaction

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Year ended

March 31, 2022

3,415

1,363

1,552

iii. Balances at year End

Name of Party

Anvi Nishith Shah

Neehar Rejesh Modi

Sachin Jatin Parikh

Nature of

Transaction

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Remuneration paid & Advance received for expenses

Year ended

March 31, 2022

126

258

122

25 Disclosure required by paragraph 29 of Accounting Standard 21 "Consolidated Financial Statements"

(a) The list of Subsidiaries is as under:

Name of Subsidiaries	Country of Incorporation	% of Shareholding of Group (31st March, 2022)
1 Hyuga Health & Wellness Private Limited	India	90%
2 Inaari Life Private Limited	India	80%

(b) "Inaari Life Private Limited" is an enterprise that is controlled by the composition of directors of the company.

26 In the opinion of the Board, all the assets (other than fixed assets and non current investments) have a value on realisation in the ordinary course of business at least to the amount at which they are stated in the Balance Sheet and provisions for all the known/expected liabilities have been made.

27 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has not borrowed from banks and financial institutions on the basis of security of current assets.

(iii) Wilful defaulter

The Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

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:

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

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

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party

c (Ultimate Beneficiaries) or

d provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) There is no Loans or Advances

(a) repayable on demand; or

(b) without specifying any terms or period of repayment

(xii) Intangible assets under development:

(a) Intangible assets under development aging schedule

Intangible assets under development	Amount in CWIP for a period of				₹ in thousand
	Less than 1 year	1-2 years	2-3 years	More than 3 years	*Total
Projects in progress	3,291	-	-	-	3,291

(b) No Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Other regulatory information

(i) Title deeds of immovable properties not held in name of the company

The Company does not have immovable property, hence this clause is not applicable.

(ii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are to be registered with the Registrar of Companies.

(iii) Utilisation of borrowings availed from banks and financial institutions

The Company has not borrowed from banks and financial institutions, hence this clause is not applicable.



Name of the Company: Pratech Brands Private Limited
Notes on Consolidated Financial Statements for the year ended March 31, 2022

28 DETAILS ON PENDING LITIGATIONS

There are no pending litigations, hence this clause is not applicable.

29 CAPITAL MANAGEMENT

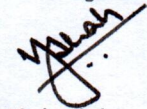
For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment.

As per our report of even date attached

For V. C. Shah & Co.

Chartered Accountants

Firm's Registration No. 109818W



Viral J. Shah

Partner

Membership No. 110120



Place : Mumbai

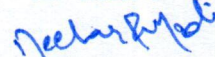
Date : 23/09/2022

For and on behalf of the Board of Directors of
Pratech Brands Private Limited

Sachin Parikh

Director

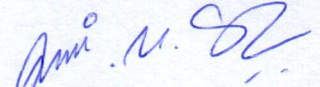
DIN - 07926070



Neehar Modi

Director

DIN - 09396436



Anvi Shah

Director

DIN - 06384756

