

ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED

**SPECIAL PURPOSE FINANCIAL REPORTING
PACKAGE AS AT
MARCH 31, 2022**



**INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS OF
ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED**

Opinion

We have audited the accompanying special purpose financial reporting package ("Group Reporting Package"), comprising standalone balance sheet, statement of profit and loss, statement of cashflows, statement of changes in equity together with the notes forming part thereof for Asian Consumer Care Pakistan (Private) Limited expressed in Pakistan Rupees as of 31 March 2022 and for the year then ended.

In our opinion, the accompanying Group Reporting Package for Asian Consumer Care Pakistan (Private) Limited for the year ended 31 March 2022 has been prepared, in all material respects, in accordance with the accounting principles consistent with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Group Reporting Package section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Group Reporting Package in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters – Basis of Accounting and Restriction on Distribution and Use

We draw attention to:

- i. the fact that the Group Reporting Package is not presented in accordance with and does not include all the information required to be disclosed by the International Financial Reporting Standards. Accordingly, the accompanying information is not intended to present fairly, in all material respects, the standalone balance sheet of Asian Consumer Care Pakistan (Private) Limited as of 31 March 2022, or the statement of profit and loss, statement of cash flows, statement of changes in equity together with the notes forming part thereof for the year then ended in accordance with the International Financial Reporting Standards. Our report is intended solely for the use of Excel Investments (FZE), in connection with the preparation of the combined consolidated financial statements of Excel Group and should not be used for any other purpose;
- ii. Note 11(a) to the Group Reporting Package wherein the matter of cancellation of Form 3, Form 3A and all Forms "A" (Annual Return), filed by the Company in previous years, by the Securities & Exchange Commission of Pakistan (SECP) has been explained; and
- iii. Note 6 to the Group Reporting Package wherein the matter related to the seizure of Goods in Transit and blocking of National Tax Number (NTN) on WEBOC has been explained.

Our opinion is not modified in respect of this matter.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Management Responsibility for Group Reporting Package

Management is responsible for the preparation and presentation of Group Reporting Package in accordance with the accounting principles consistent with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of the Group Reporting Package that is free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of Group Reporting Package

Our objectives are to obtain reasonable assurance about whether the Group Reporting Package is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan 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 this Group Reporting Package.

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

- Identify and assess the risks of material misstatement of the Group Reporting Package, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Group Reporting Package 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.

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A.F.FERGUSON&Co.

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.

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A. F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Syed Muhammad Hasnain**
Dated: 28 April 2022
Karachi

**ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED
STANDALONE FINANCIAL STATEMENTS**

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2022

(Amount in Pakistani Rupees)

Particulars	Notes	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	72,380,830	27,331,840
Other intangible assets	3	77,904	188,350
Financial assets			
- Others	4	30,335,878	20,008,378
Other non-current assets	5	3,207,413	4,411,936
Total non-current assets		106,002,025	51,940,504
Current assets			
Inventories	6	355,134,060	323,575,256
Financial assets			
(i) Trade receivables	7	34,017,057	17,869,533
(ii) Cash and cash equivalents	8	776,191,450	605,102,269
Current tax assets (net)	9	8,389,847	-
Deferred tax asset	9	19,315,678	15,898,166
Other current assets	10	171,229,208	130,137,730
Total current assets		1,364,277,300	1,092,582,954
TOTAL ASSETS		1,470,279,325	1,144,523,458
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	78,721,660	78,721,660
Other equity		1,040,166,085	662,016,643
Total equity		1,118,887,745	740,738,303
Non-current liabilities			
Financial liabilities			
- Long term borrowings	12	-	12,183,221
Total Non-current liabilities		-	12,183,221
Current liabilities			
Financial liabilities			
(i) Short-Term Borrowings	13	12,349,590	15,488,823
(ii) Trade payables	14	38,359,973	85,460,401
(iii) Other financial liabilities	15	233,127,567	237,831,292
Other current liabilities	16	56,936,567	39,108,355
Short-term provisions	17	10,617,883	9,334,574
Current tax liabilities (net)	18	-	4,378,489
Total current liabilities		351,391,580	391,601,934
Total liabilities		351,391,580	403,785,155
TOTAL EQUITY AND LIABILITIES		1,470,279,325	1,144,523,458



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ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Pakistani Rupees)

Particulars	Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
Revenue from operations	19	2,048,939,004	1,806,579,658
Other income	20	49,904,090	32,579,821
Total Income		2,098,843,094	1,839,159,479
Cost of materials consumed	21	1,008,859,154	906,111,830
Purchases of stock-in-trade	22	25,675,097	4,642,022
Changes in stock-in-trade	23	(3,509,474)	9,436,747
Employee benefits expense	24	216,376,990	192,152,261
Finance costs	25	3,022,036	3,167,495
Depreciation and amortisation expense	26	24,627,762	12,462,014
Other expenses	27	284,615,538	187,695,186
Total expense		1,559,667,103	1,315,667,555
Profit before tax		539,175,991	523,491,924
Current tax		164,444,061	151,550,358
Deferred tax		(3,417,512)	(1,507,304)
Income tax expense		161,026,549	150,043,054
Profit for the year		378,149,442	373,448,870
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		378,149,442	373,448,870
Earnings per share in Rs.	28		
Basic		420.87	415.63
Diluted		420.87	415.63



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ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

(Amount in Pakistani Rupees)

Particulars	Notes	For the year ended 31st March 2022	For the year ended 31st March 2021
Cash Flows from Operating Activities			
Cash generated from operations	8.1	444,440,499	536,705,419
Increase in financial assets - other		(10,327,500)	(7,124,501)
Decrease in long term advances		1,204,523	108,349
Interest paid		(2,127,184)	(698,439)
Income tax paid		(177,212,397)	(142,659,244)
Net cash flows from operating activities		255,977,941	386,331,584
Cash Flows from Investing Activities			
Purchase of property, plant and equipment		(69,566,306)	(4,656,057)
Net cash flows from investing activities		(69,566,306)	(4,656,057)
Cash Flows from Financing Activities			
Salary refinancing loan acquired		-	32,932,241
Salary refinancing loan - principal repayment		(15,322,454)	(4,116,530)
Net cash flows from financing activities		(15,322,454)	28,815,711
Net increase in cash and cash equivalents		171,089,181	410,491,238
Cash and cash equivalents at the beginning of the year	8	605,102,269	194,611,031
Cash and cash equivalents at the end of the year	8	776,191,450	605,102,269



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ASIAN CONSUMER CARE PAKISTAN (PRIVATE) LIMITED
 STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 MARCH 2021

A. Equity Share Capital

(Amount in Pakistani Rupees)

Balance as at 31 Mar, 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
78,721,660	-	78,721,660

B. Other Equity

	Reserves and Surplus						Total
	Capital Reserve	Securities Premium Reserve	ESOP Outstanding (Net of Deferred Emp Compensation ESOP)	General Reserve	Retained Earnings	Debt Instruments through other comprehensive income	
Balance as at 31 Mar, 2021	-	-	-	-	662,016,643	-	662,016,643
Total comprehensive income for the year	-	-	-	-	378,149,442	-	378,149,442
Balance as at 31 March 2022	-	-	-	-	1,040,166,085	-	1,040,166,085



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3. Property Plant and Equipment and Other Intangible Assets:

S.No	Particulars of Assets	Gross Block					Depreciation / Amortisation			Net Block				
		Gross Cost / Value as at 1st April 2021	Acquisition	Business Combination	Other Adjustment	Sub Total	Gross Balance as at 31st March 2022	Gross Cost / Value as at 1st April 2021	For the year	Sale during this year	Gross Balance as at 31st March 2022	W.D.V as at 31st March 2022	W.D.V as at 31st March 2021	W.D.V as at 31st March 2020
	Property, Plant and Equipment													
i)	Land: Freehold	260,316	-	-	-	-	260,316	108,549	52,063	-	160,612	99,704	151,767	203,831
ii)	Plant & Machinery	36,814,771	67,575,924	-	-	67,575,924	104,390,695	15,036,277	21,378,830	-	36,415,107	67,975,588	21,778,494	28,142,087
iii)	Computer Equipment	16,072,015	1,427,694	-	-	1,427,694	17,499,709	11,514,059	2,670,263	-	14,184,322	3,315,387	4,557,956	5,132,256
iv)	Furniture & Fixtures	3,541,124	-	-	-	-	3,541,124	3,308,020	92,429	-	3,400,449	140,675	233,104	451,583
v)	Vehicles	46,500	-	-	-	-	46,500	46,500	-	-	46,500	-	-	-
vi)	Office Equipment	5,457,693	562,688	-	-	562,688	6,020,381	4,847,174	323,731	-	5,170,905	849,476	610,519	725,346
	Total:	62,192,419	69,566,306	-	-	69,566,306	131,758,725	34,860,579	24,517,316	-	59,377,895	72,380,830	27,331,840	34,655,103
	As at 31 March'21						62,192,419				34,860,579	27,331,840		
	Other intangible Assets													
	Computer Software	8,440,631	-	-	-	-	8,440,631	8,252,281	110,446	-	8,362,727	77,904	188,350	671,044
	Total:	8,440,631	-	-	-	-	8,440,631	8,252,281	110,446	-	8,362,727	77,904	188,350	671,044
	As at 31 March'21						8,440,631				8,252,281	188,350		



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4. Others

Particulars	As at 31st March 2022	As at 31st March 2021
Deposit with others	30,335,878	20,008,378
Total	30,335,878	20,008,378

5. Other Non-Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
<u>Unsecured & considered good</u>		
Staff Advances	3,207,413	4,411,936
Total	3,207,413	4,411,936

6. Inventories

Particulars	As at 31st March 2022	As at 31st March 2021
Raw materials	183,039,287	142,983,680
Packing materials	76,727,301	70,875,386
Finished goods - imported	7,041,585	3,728,286
Finished goods - manufactured	88,325,887	105,987,904
Total	355,134,060	323,575,256

Certain goods were seized by the Customs authorities suspecting that the goods fall under the category of Prohibited Goods in accordance with paragraph 5(A)(ii) of the Import Policy Order, 2016 (IPO 2016). Further, the Company's NTN / User ID on the Customs online portal WeBOC was also blocked by the Customs authorities due to which the above mentioned stock in transit was also seized. The Company filed a petition before the Islamabad High Court (the Court) on the grounds that there is no legal prohibition on goods imported from countries like UAE, Tunisia, Singapore and Germany in paragraph 5(A)(ii) of the IPO 2016. The Court has passed a stay order prohibiting the concerned authorities to take any coercive action against the Company. The Company is waiting for a date of hearing to be fixed. Moreover, the provision for slow moving inventory has been recorded as per the slow moving and obsolete provision policy against the above mentioned goods. The goods that expired by March 31, 2022 have been written off, whereas, remaining goods amounting to Rs. 3,019,825 have been fully provided for as per the policy.

The Company based on the opinion of its legal advisor is confident that the case will be decided in favour of the Company and it will be able to get the goods released from the Customs authorities.



7. Trade Receivables

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured debts - considered good	34,017,057	17,869,533
Total	34,017,057	17,869,533

7.1 Ageing schedule of trade receivables

As at 31 March 2022	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	19,939,263	14,033,681	44,113	-	-	-	34,017,057

As at 31 March 2021	Outstanding from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	15,807,967	1,801,129	260,437	-	-	-	17,869,533

8. Cash and Cash Equivalents

Particulars	As at 31st March 2022	As at 31st March 2021
Cash and cash Equivalents		
Cash in hand	18,486	13,925
Balances with banks		
Current Accounts	62,031,099	1,800,000
Savings Accounts	64,191,433	353,389,767
Term Deposit maturing within three months *	649,950,432	249,898,577
Total Cash & Cash Equivalents	776,191,450	605,102,269

* These have been placed with the bank under funding arrangement.

8.1. Cash Generated from Operations

Particulars	As at 31st March 2022	As at 31st March 2021
Profit before income tax	539,175,991	523,491,924
Add / (less): Adjustments for non-cash charges and other items		
Depreciation and amortisation expense	24,627,762	12,462,014
Interest expense	2,127,184	2,130,384
Provision for slow moving inventory and obsolescence	13,253,288	42,749,259
Government grant Income	-	(2,575,611)
Profit before working capital changes	579,184,225	578,257,970
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets		
Inventories	(44,812,092)	(108,023,506)
Trade receivables	(16,147,524)	3,011,214
Other current assets	(41,091,478)	(33,265,646)
	(102,051,094)	(138,277,938)
Increase / (decrease) in current liabilities		
Trade payables	(47,100,428)	(8,884,440)
Other financial liabilities	(4,703,725)	106,910,132
Other current liabilities	17,828,212	(2,343,106)
Provisions	1,283,309	1,042,801
	(32,692,632)	96,725,387
Cash generated from operations	444,440,499	536,705,419



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9. Tax Assets (Net)

Particulars	As at 31st March 2022	As at 31st March 2021
Current tax asset (net)	8,389,847	-
Deferred tax asset	19,315,678	15,898,166
Total	27,705,525	15,898,166

10. Other Current Assets

Particulars	As at 31st March 2022	As at 31st March 2021
Advances to suppliers: Considered good	48,905,334	7,811,977
Unsecured & considered good: Advance to employees	1,780,737	573,581
Other receivables	120,543,137	121,752,172
Total	171,229,208	130,137,730



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11. Equity Share Capital

Particulars	As at 31st March 2022	As at 31st March 2021
Authorised		
8,000,000 (31st March 2022: 8,000,000, 31st March 2021: 8,000,000) 5% Redeemable preference shares of Rs.10 each	80,000,000	80,000,000
3,000,000 (31st March 2022: 3,000,000, 31st March 2021: 3,000,000) Ordinary shares of Rs.10 each	30,000,000	30,000,000
Issued, subscribed and fully paid up		
6,973,664 (31st March 2022: 6,973,664, 31st March 2021: 6,973,664) 5% Non-cumulative Redeemable Preference shares	69,736,640	69,736,640
898,502 (31st March 2022: 898,502, 31st March 2021: 898,502) Ordinary shares of Rs. 10 each	8,985,020	8,985,020

a) During the year 2019, the Company received an Order under section 464 of The Companies Act 2017 from Securities and Exchange Commission of Pakistan (SECP). Through this Order, the Company was advised that its Form "3", all Forms "A" (Annual Return) filed by the Company in previous years have been cancelled and accordingly stand rejected in terms of Companies Act 2017. This was consequent to regret letter received by SECP from Ministry of Interior in relation to security clearance of foreign shareholder of the Company - Dabur International Limited (DIL), Isle of Man in pursuance of section 461 of the Companies Act 2017 read conjunctively with the standing instruction of Ministry of Interior. Subsequently, DIL sold its entire shareholding (898,500 ordinary shares and 6,973,648 preference shares) to Excel Investments (FZE), Sharjah. The Company filed the statutory documents (Form 3A) with SECP on 29 August 2019. In response to the above-mentioned filing, the Company received a letter from SECP dated 02 February 2022, where Ministry of Interior has refused security clearance of foreign shareholder of the Company - Excel Investments (FZE), Sharjah and advised to replace / transfer the shareholding of the Company within fourteen days of receipt of the letter. The Company has responded on 14 February 2022 requiring a reasonable time to transfer the shares and to file statutory returns within fourteen days of the completion of transaction. No further correspondence has been received from SECP till date.

b) **Rights, preference and restrictions attached to Equity Shares**

i) The Company has two classes of equity shares i.e. 5% preference shares of Rs. 10 each and ordinary shares of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.



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c) **Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Company**

Particulars	As at 31st March 2022	As at 31st March 2021
Equity shares of Rs. 10 held by:		
Excel Investments (FZE) (Ordinary Shares)	898,500	898,500
Excel Investments (FZE) (Preference Shares)	6,973,648	6,973,648

During the year 2019, 898,500 ordinary shares and 6,973,648 preference shares of the Company were transferred to Excel Investments. These shares were previously held by Dabur International Limited, Isle of Man.

d) **Details of promoter shareholding**

Name of promoter	As at 31 March 2022			As at 31 March 2021		
	Number of ordinary shares	% of total shares	% Change during the year	Number of ordinary shares	% of total shares	% Change during the year
Excel Investments (FZE)	898,500	100%	0%	898,500	100%	0%
Muhammad Nauman Khan	1	0%	0%	1	0%	0%
Muhammad Ovais Obaidullah Khan	1	0%	0%	1	0%	0%



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12. Long Term Borrowings

Particulars	As at 31st March 2022	As at 31st March 2021
Secured		
Term Loans	-	12,183,221
Total	-	12,183,221



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13. Short-term borrowings

Nature of Borrowings		Total	Secured	Unsecured
Term loans	As at 31st March 2022	12,349,590	-	12,349,590
	As at 31st March 2021	15,488,823	-	15,488,823
	As at 31st March 2022	12,349,590	-	12,349,590
	As at 31st March 2021	15,488,823	-	15,488,823



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14. Trade Payables

Particulars	As at 31st March 2022	As at 31st March 2021
Creditors for goods and services	38,359,973	85,460,401
Total	38,359,973	85,460,401

14.1 Ageing schedule of trade payables

As at 31 March 2022	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	-	-	-	-	-
Others	38,359,973	-	-	-	38,359,973

As at 31 March 2021	Outstanding from the due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Micro, small and medium enterprises	-	-	-	-	-
Others	85,460,401	-	-	-	85,460,401

15. Other Financial Liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Accrued liabilities	233,127,567	237,831,292
Total	233,127,567	237,831,292

16. Other Current Liabilities

Particulars	As at 31st March 2022	As at 31st March 2021
Advances from customers	30,628,516	2,161,237
Statutory liabilities	26,308,051	36,947,118
Total	56,936,567	39,108,355

17. Short-Term Provisions

Particulars	As at 31st March 2022	As at 31st March 2021
Provision for leave encashment	10,617,883	9,334,574
Total	10,617,883	9,334,574

18. Current Tax Liabilities - net

Particulars	As at 31st March 2022	As at 31st March 2021
For taxation	-	4,378,489
Total	-	4,378,489



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19. Revenue From Operations

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Sale of Products		
Domestic	2,365,832,500	2,065,778,576
Less: Rebates and Discounts	(316,893,496)	(259,198,918)
Total	2,048,939,004	1,806,579,658

The Company classifies cost of FOC from Rebates and discounts to advertisement and promotional expenses in line with group instructions.

20. Other Income

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest Income	44,502,043	20,188,797
Miscellaneous Receipts	5,082,446	9,815,413
Government grant	-	2,575,611
Others	319,601	-
Total	49,904,090	32,579,821

21. Cost of Materials Consumed

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Raw material consumed	672,972,949	579,911,571
Packing material consumed	335,886,205	326,200,259
Total	1,008,859,154	906,111,830

22. Purchases of Stock-In-Trade

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Shampoo	1,118,544	-
Tooth Powder & Paste	1,547,147	558,891
Fruit, Nectar & Oils	661,501	-
Others	22,347,905	4,083,131
Total	25,675,097	4,642,022



23. Changes in Stock-in-trade

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Stock-in-trade - opening	4,711,694	14,148,441
Stock-in-trade - closing	(8,221,168)	(4,711,694)
Total	(3,509,474)	9,436,747

24. Employee Benefits Expense

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries, Wages and Bonus	207,149,703	183,547,709
Contribution to Provident and Other Funds	8,837,953	8,424,703
Workmen and Staff Welfare	389,334	179,849
Total	216,376,990	192,152,261

25. Finance Costs

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Interest expense	2,127,184	2,130,384
Bank charges	894,852	1,037,111
Total	3,022,036	3,167,495

26. Depreciation and Amortisation expenses

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Depreciation on tangible fixed assets	24,517,316	11,979,320
Amortisation of intangible fixed assets	110,446	482,694
Total	24,627,762	12,462,014



27. Other Expenses

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Power and Fuel	1,921,805	1,207,694
Repair to Others	2,561,099	2,637,220
Rent	54,107,355	47,335,920
Insurance	2,582,584	1,719,428
Freight and Forwarding Charges	38,325,781	39,685,322
Advertisement and Publicity	134,583,972	64,422,531
Travel and Conveyance	11,660,156	7,687,286
Legal and Professional	23,398,515	17,562,564
Telephone and Fax Expenses	781,851	792,218
Security Expenses	2,184,048	1,953,108
Auditor's Remuneration	1,705,000	1,428,867
Reversal for Doubtful Debts	-	(1,256,296)
Entertainment Expenses	483,729	35,440
Other Expenses	10,319,643	2,483,884
Total	284,615,538	187,695,186



28. Earning Per Share

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Net Profit After Tax	378,149,442	373,448,870
Weighted average number of Equity Shares outstanding	898,502	898,502
Basic Earnings Per Share [Face Value of Rs. 10 each]	420.87	415.63
Diluted Earnings Per Share [Face value of Rs. 10 each]	420.87	415.63



29. Employee Benefits

Provident fund:

The Company makes contribution towards provident fund. The rules of the company's provident fund administered by a trust.

Particulars	As at 31st March 2022	As at 31st March 2021	As at 31st March 2020
Plan assets at year end, at fair value	37,124,594	35,175,510	37,985,806



30. Auditor's Remuneration

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Audit fees	1,525,000	1,300,000
Certification and others	180,000	128,867
Total	1,705,000	1,428,867

31. Operating Lease (As Lessee)

The future minimum lease payment under non-cancellable operating lease	Not Later than 1 year	Later than 1 year not later than 5 years	Later than 5 years
Cars	12,354,001	17,365,433	-

Lease rent debited to Profit & loss account for the year is Rs. 21,545,894 (March 31, 2021: Rs. 18,443,571)



32. Financial ratios

Ratio	As at	As at	% Variance	Reasoning
	31 March 2022	31 March 2021		
	Ratio	Ratio		
Current ratio	3.88	2.79	39%	The increase is due to increase in investments caused by increase in cash reserves due to non-remittance of dividend.
Debt-equity ratio	0.01	0.04	-75%	The decrease is due to decrease in borrowings obtained under SBP payroll refinancing facility with corresponding increase in equity reserves.
Debt service coverage ratio	23.26	62.28	-63%	During the year, repayment of major portion of borrowings has been made under SBP payroll refinancing facility resulting in decrease in debt equity ratio.
Return on equity ratio	0.41	0.67	-39%	The increase in profits for the year is not inline with the increase in average equity as the Company has not paid any dividend from prior years.
Inventory turnover ratio	2.97	3.11	-5%	No major variation.
Trade receivables turnover ratio	78.98	93.24	-15%	No major variation.
Trade payables turnover ratio	20.23	9.52	113%	The increase is mainly due to increase in purchases and advertisement expenses and decrease in average payables.
Net capital turnover ratio	2.02	2.58	-22%	No major variation.
Net profit ratio	0.18	0.21	-14%	No major variation.
Return on capital employed	0.50	0.70	-29%	The decrease is mainly due to increase in equity reserves caused by non-remittance of dividend.
Return on investment	4.80	4.74	1%	No major variation.



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Financial Instruments - Accounting classifications and fair value measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Fair value of cash, trade and other receivables, security deposits, trade payables, term loans, current tax liability, provisions, statutory liabilities and other current liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

Particulars	Carrying amount	Fair-Value		
	As at 1-April 2021	Level- 1	Level- 2	Level- 3
Financial assets at amortised cost				
Security deposits	20,008,378			
Trade receivables	17,869,533			
Cash and Bank balances	605,102,269			
Other receivable	121,752,172			
Total	764,732,352			

Financial liabilities at amortised cost

Term loans	27,672,044			
Trade Payables	85,460,401			
Other financial liabilities - current	237,831,292			
Statutory liabilities	36,947,118			
Short-term provisions	9,334,574			
Current tax liability	4,378,489			
Total	401,623,918			

Particulars	Carrying amount	Fair-Value		
	As at 31 March 2022	Level- 1	Level- 2	Level- 3
Financial assets at amortised cost				
Security deposits	30,335,878			
Trade receivables	34,017,057			
Cash and Bank balances	776,191,450			
Other receivable	120,543,137			
Total	961,087,522			

Financial liabilities at amortised cost

Term loans	12,349,590			
Trade Payables	38,359,973			
Other financial liabilities - current	233,127,567			
Statutory liabilities	26,308,051			
Short-term provisions	10,617,883			
Total	320,763,064			



Financial Risk Management Objectives and Policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies.

Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including deposits, foreign currency receivables and payables.



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Financial Risk Management Objectives and Policies (Contd.)

Foreign currency exposure as at 31st March 2021	USD
Advances to Dabur International Limited	35,219
Payable to Dabur International Limited	72,113
Payable to Dabur India Limited	221

Foreign currency exposure as at 31st March 2022	USD
Advances to Dabur International Limited	40,590
Payable to Dabur International Limited	65,312
Payable to Dabur India Limited	221

Foreign currency sensitivity

1% Increase or decrease in foreign exchange rates will have the following impact on profit before tax.

Particulars	2021-22		2020-21	
	1% increase	1% decrease	1% increase	1% decrease
USD	45,820	(45,820)	74,230	(74,230)
Increase/(decrease) in profit or loss	45,820	(45,820)	74,230	(74,230)

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information.

Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Company.



Financial Risk Management Objectives and Policies (Contd.)

The ageing analysis of receivables (gross of provision) has been considered from the date the invoice falls due.

Particulars	Amount
As at 31st March 2022	
Upto 6 months	33,972,944
More than 6 months	44,113
	34,017,057
As at 31st March, 2021	
Upto 6 months	17,609,091
More than 6 months	260,442
	17,869,533



Financial Risk Management Objectives and Policies (Contd.)

Liquidity Risk

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31st March 2022	Less than 1 year	1 to 5 years	More than 5 years	Total
Term loans	12,349,590	-	-	12,349,590
Trade payables	38,359,973	-	-	38,359,973
Other financial liabilities	233,127,567	-	-	233,127,567
Statutory liabilities	26,308,051	-	-	26,308,051
Short-term provisions	10,617,883	-	-	10,617,883

As at 31st March 2021	Less than 1 year	1 to 5 years	More than 5 years	Total
Term loans	15,488,823	12,183,221	-	27,672,044
Trade payables	85,460,401	-	-	85,460,401
Other financial liabilities	237,831,292	-	-	237,831,292
Statutory liabilities	36,947,118	-	-	36,947,118
Short term provisions	9,334,574	-	-	9,334,574
Current tax liability	4,378,489	-	-	4,378,489

