

# **ARC Distributors (I) Private Limited**

*Flat no. 5, 1st floor,  
Parag Apartment, J.P. Road  
Andheri (W), Mumbai - 400 061*

CIN: U51909MH2008PTC180740

## **Financial Report**

***Financial Year: 2021-2022  
Assessment Year: 2022-2023***

*Contents:*

Independent Auditor's Report

Balance Sheet

Statement of Profit and Loss

Statement of Cash Flow

Notes to Accounts & Significant Accounting Policies

Audit Report in Form No. 3CA

Form No. 3CD along with Annexures

Audit Report : MAT Form 29B

Computation of Income

Income Tax Return Acknowledgement

## **R H D B & Co LLP**

*Chartered Accountants  
A-402, Dipti Classic, 15 Suren Road  
Andheri (East), Mumbai - 400 093*

**ARC DISTRIBUTORS (I) PRIVATE LIMITED**  
**Balance Sheet As At 31 March 2022**

(All amounts in INR thousands, unless otherwise stated)

Particulars	Note No.	As At 31 March 2022	As At 31 March 2021
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' funds</b>			
(a) Share capital	2	100	100
(b) Reserves and surplus	3	37,951	24,406
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	5	-	103
<b>3. Current liabilities</b>			
(a) Short-term borrowings	5	103	3,565
(b) Trade payables	6	1,55,994	1,32,066
(c) Other current liabilities	7	1,518	4,603
(d) Short term provisions	8	165	64
<b>TOTAL</b>		<b>1,95,831</b>	<b>1,64,906</b>
<b>II. ASSETS</b>			
<b>1. Non-current assets</b>			
(a) Property, plant and equipment			
- Tangible assets	9	2,832	3,904
(b) Non-current investments	10	59,253	47,181
(c) Deferred tax assets (Net)	11	821	784
(d) Long-term loans and advances	12	1,097	1,097
<b>2. Current assets</b>			
(a) Inventories	13	46,604	33,464
(b) Trade receivables	14	32,581	35,409
(c) Cash and cash equivalents	15	3,541	13,170
(d) Short term loans and advances	16	49,102	29,897
<b>TOTAL</b>		<b>1,95,831</b>	<b>1,64,906</b>

**Significant Accounting Policies**

1

**Notes forming part of financial statements**

2 - 38

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

As per our report of even date attached

For R H D B & Co LLP

Chartered Accountants

Firm's Registration No: 132490W/W-100125

*V. Shah*

**Viral Shah**

Partner

Membership No: 189204

Mumbai

Date: 20th September, 2022

UDIN: 22189204BBILJD7797



For and on behalf of the Board of Directors

Arc Distributors (I) Private Limited

*Devang Goradia*

**Devang Goradia**

Director

DIN: 01951816

Mumbai

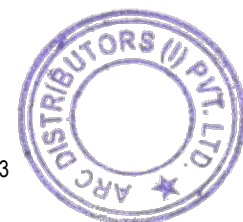
Date: 20th September, 2022

*Parth Vyas*

**Parth Vyas**

Director

DIN: 07884083



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**  
**Profit & Loss Statement For The Year Ended 31 March 2022**

(All amounts in INR thousands, unless otherwise stated)

Particulars	Note No.	Year Ended 31 March 2022	Year Ended 31 March 2021
<b>I. INCOME</b>			
(a) Revenue from operations (net)	17	2,52,496	1,77,422
(b) Other Income	18	21,256	2,904
<b>TOTAL</b>		<b>2,73,752</b>	<b>1,80,326</b>
<b>II. EXPENDITURE</b>			
(a) Purchase of traded goods	19	2,20,316	1,33,334
(b) Changes in Inventory of traded goods	20	(13,140)	24,649
(c) Employee benefit expenses	21	7,175	7,075
(d) Finance cost	22	186	577
(e) Depreciation and amortisation expenses	23	1,220	1,742
(f) Other Expenses	24	41,602	11,025
<b>TOTAL</b>		<b>2,57,359</b>	<b>1,78,403</b>
<b>III. Profit before tax</b>		<b>16,393</b>	<b>1,924</b>
<b>IV. Tax expense:</b>			
(1) Current tax		(2,884)	(561)
(2) Deferred tax		37	106
<b>V. Profit / (Loss) for the year</b>		<b>13,546</b>	<b>1,468</b>
<b>VI. Earnings per equity share</b> (nominal value of share Rs. 10, basic and diluted)	32		
(1) Basic		1,355	147
(2) Diluted		1,355	147

**Significant Accounting Policies**

1

**Notes forming part of financial statements**

2 - 38

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

As per our report of even date attached.

For **R H D B & Co LLP**

Chartered Accountants

Firm's Registration No: 132490W/W-100125

*V. Shah*

**Viral Shah**

Partner

Membership No: 189204

Mumbai

Date: 20th September, 2022

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For and on behalf of the Board of Directors

ARC Distributors (I) Private Limited

*Devang Goradia*

**Devang Goradia**

Director

DIN: 01951816

Mumbai

Date: 20th September, 2022

*Parth Vyas*

**Parth Vyas**

Director

DIN: 07884083



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**  
**Cash Flow Statement For The Year Ended 31 March 2022**

(All amounts in INR thousands, unless otherwise stated)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Profit / (Loss) before tax	1,63,93,235	19,23,759
<b>Adjustments for non-cash transactions:</b>		
Depreciation	12,19,848	17,42,430
Loss on sale of investments	-	-
Profit on sale of investments	(1,58,12,418)	(10,71,517)
<b>Items considered separately:</b>		
Interest & Finance Charges	1,07,647	4,94,927
Interest income	(1,08,111)	(1,83,432)
Dividend income	(6,10,645)	(5,24,590)
<b>Operating profit / (loss) before working capital changes</b>	<b>11,89,557</b>	<b>23,81,576</b>
<u>Changes in working capital:</u>		
Adjustments for (increase) / decrease in assets:		
Long term loans and advances	-	(2,39,968)
Inventories	(1,31,40,020)	2,46,49,018
Trade receivables	28,28,239	25,38,433
Short term loans and advances	(1,92,05,274)	90,06,912
Adjustments for increase / (decrease) in liabilities:		
Trade payables	2,39,27,594	81,16,291
Other current liabilities	(26,68,666)	(11,63,842)
Short-term provisions	1,01,800	(4,22,277)
<b>Cash generated from operations</b>	<b>(69,66,771)</b>	<b>4,48,66,144</b>
Taxes Paid	(28,84,222)	(4,85,910)
<b>Net cash generated from operating activities (A)</b>	<b>(98,50,993)</b>	<b>4,43,80,234</b>
<b>B. Cash flow from investing activities</b>		
Outflow on purchase of tangible assets	(1,47,900)	(45,313)
Outflow on purchase of Equity Shares	(14,96,20,521)	(9,43,24,135)
Outflow on purchase of Mutual Funds	-	(3,80,00,000)
Outflow on purchase of fixed deposits	(18,72,64,000)	(8,53,00,000)
Inflow on sale of mutual funds	-	3,80,00,000
Inflow on sale of Equity Shares	13,74,46,208	5,13,09,653
Inflow on maturity of fixed deposits	18,72,64,000	8,53,00,000
Gain on sale of investments	1,58,12,418	10,71,517
Interest income	1,08,111	1,83,432
Dividend income	6,10,645	5,24,590
<b>Net cash flow generated from investing activities (B)</b>	<b>42,08,961</b>	<b>(4,12,80,256)</b>



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**  
**Cash Flow Statement For The Year Ended 31 March 2022**  
*(All amounts in INR thousands, unless otherwise stated)*

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
<b>C. Cash flow from financing activities</b>		
Inflow from long term borrowings	-	-
Outflow from long term borrowings	(4,17,040)	(3,78,915)
Outflow from short term borrowings	(34,62,193)	(5,50,642)
Outflow of Interest expenses	(1,07,647)	(4,94,927)
<b>Net cash flow generated from financing activities (C)</b>	<b>(39,86,880)</b>	<b>(14,24,484)</b>
<b>Net increase / (decrease) in cash or cash equivalents (A+B+C)</b>	<b>(96,28,912)</b>	<b>16,75,494</b>
<b>Add: Cash and cash equivalents at beginning of the year</b>	<b>1,31,70,129</b>	<b>1,20,56,021</b>
<b>Cash and cash equivalents at end of the year</b>	<b>35,41,217</b>	<b>1,31,70,129</b>

**Notes:**

- 1 The above cash flow statement has been prepared under the indirect method as set out in AS-3 on Cash Flow Statements notified under section 211(3C) and relevant provisions of the Companies Act, 2013.
- 2 Previous year figures have been recast / restated where necessary.

**As per our report of even date attached**

For R H D B & Co LLP  
Chartered Accountants  
Firm's Registration No: 132490W/W-100125

*V Shah*

**Viral Shah**  
Partner  
Membership No: 189204



Mumbai  
Date: 20th September, 2022

**UDIN: 22189204BBILJD7797**

For and on behalf of the Board of Directors  
ARC DISTRIBUTORS (I) PRIVATE LIMITED

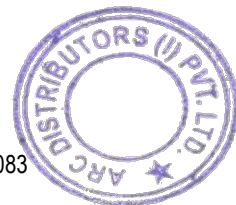
*Devang Goradia*

**Devang Goradia**  
Director  
DIN: 01951816

Mumbai  
Date: 20th September, 2022

*Parth Vyas*

**Parth Vyas**  
Director  
DIN: 97884083



## ARC DISTRIBUTORS (I) PRIVATE LIMITED

### Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022

(All amounts in INR thousands. unless otherwise stated)

#### Firm Background

ARC Distributors (I) Private Limited ('the Company') was incorporated on the 02nd April, 2008. The objective of the company is to carry on the business of trading in all types of Health Product Supplements, Dental tools, and Jewellery tools.

#### Note 1 : Significant accounting policies

##### 1 Basis of preparation of financial statements

The accompanying financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, the relevant provisions of the Companies Act, 2013 and the accounting principles generally accepted in India, to the extent applicable. The financial statements are presented in Indian rupees.

##### 2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

##### 3 Current–non-current classification

All assets and liabilities are classified into current and non-current.

###### Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be realized in, or is intended for sale or consumption in the company's normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is expected to be realized within 12 months after reporting date; or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

###### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company's normal operating cycle;
  - (b) It is held primarily for the purpose of being traded;
  - (c) It is due to be settled within 12 months after the reporting date; or
  - (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.
- Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.



## ARC DISTRIBUTORS (I) PRIVATE LIMITED

### Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022

(All amounts in INR thousands. unless otherwise stated)

#### 4 Fixed Assets and Depreciation

Fixed assets are stated in the books at historical cost inclusive of all incidental expenses incurred for acquisition of such assets, less depreciation. In respect of additions/deletions, depreciation is provided for the period for which the asset is used.

Depreciation on fixed assets is provided on a Written Down Value basis at rates that are prescribed in Schedule II of the Companies Act, 2013, by considering useful life of the assets as prescribed in the Schedule with 5% residual value.

#### 5 Impairment of assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

#### 6 Stock In Trade:

Inventories which comprise of Health Product Supplements, Dental and Jewellery tools are carried at lower of cost and net realizable value. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In determining the cost, FIFO method is used. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### 7 Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognized when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

##### Drawback / License Receipts

Drawback / License Receipts are recognised as and when the claims are made.

##### Other Income

Other income is comprised primarily of interest income, gain / loss on sale of fixed assets, exchange gain / loss on translation of other assets and liabilities. Interest income is recognized on a time proportion basis.

#### 8 Foreign Currency Transactions:

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the statement of profit and loss for the year. Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss for the year.



## **ARC DISTRIBUTORS (I) PRIVATE LIMITED**

### **Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

*(All amounts in INR thousands, unless otherwise stated)*

#### **9 Employee Benefits**

Short term employee benefits expected to be paid in exchange of services rendered by employees are recognized in the statement of profit and loss un-discounted during the period in which the employee renders services. The company does not operate any defined benefit plan or defined contribution plan for long term employee benefits. Liabilities in respect of long-term employee benefits are estimated by the management and recognized in the statement of profit and loss in the period of occurrence on payment basis.

#### **10 Income Taxes**

Tax expense comprises of current tax and deferred tax. Current tax and deferred tax are accounted for in accordance with Accounting Standard 22 (AS-22) on "Accounting for taxes on Income". Current tax is measured at the amount expected to be paid / recovered from the tax authority using the applicable tax rates.

Deferred tax liabilities are recognised for future tax consequence attributable to timing difference between taxable income and accounting income that are capable of reversing in one or more subsequent periods and are measured at relevant enacted/ substantively enacted tax rates and in the case of deferred tax asset on consideration of prudence, are recognised and carried forward to the extent of reasonable / virtual certainty as case may be. At each balance sheet date, the Company reassesses unrealised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

Minimum Alternate Tax (MAT) credit entitlement is recognised in accordance with the Guidance Note on "Accounting for credit available in respect of Minimum Alternate Tax under the Income-tax Act, 1961" issued by ICAI

#### **11 Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

#### **12 Provision for bad and doubtful Debts**

The Company's management has formulated a policy that any debts outstanding for more than 6 months shall be written off as bad debts subject to management discretion. Debts arising during the year and considered unrecoverable to the extent, at the end of the year shall be adjusted in the same year.

#### **13 Investments**

Long-term investments are carried at cost less provision for diminution other than temporary, if any, in value of such investments. Current investments are carried at lower of cost and fair value

#### **14 Cash Flow Statements**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.





**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***2 Share Capital****(a) Number and amount of shares authorised**

Particulars	31 March 2022	31 March 2021
<b>Authorised</b>		
50,000 equity shares of Rs 10/- each	500	500
<b>Issued, subscribed and paid up</b>		
10,000 equity shares of Rs 10/- each fully paid up	100	100

**(b) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year**

Particulars	31 March 2022		31 March 2021	
	No of shares	Amount	No of shares	Amount
At the commencement of the year	10,000	100	10,000	100
Shares issued during the year	0	-	0	-
At the end of the year	10,000	100	10,000	100

**(c) Terms/rights attached to Equity shares**

The Company has a single class of equity shares with par value of Rs.10 per share. Accordingly all the equity shares rank equally with regard to dividends and share in Company's residual assets. The equity shares are entitled to dividend as declared from time to time. The voting rights of an equity shareholders on a poll are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**(d) Particulars of shareholders holding more than 5% equity shares**

Name of Shareholders	31 March 2022		31 March 2021	
	No of shares	% Holding	No of shares	% Holding
Devang Goradia	9,000	90%	9,000	90%
Vaishali Mane	1,000	10%	1,000	10%
<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

**(e) Promoters shareholding**

Name of Promoter	31 March 2022		31 March 2021	
	No of shares	% Holding	No of shares	% Holding
Devang Goradia	9,000	90%	9,000	90%
Vaishali Mane	1,000	10%	1,000	10%
<b>Total</b>	<b>10,000</b>	<b>100%</b>	<b>10,000</b>	<b>100%</b>

There is no change in shares held by the promoters during the year. Accordingly the % change during the year is Nil.



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***3 Reserves and surplus**

Particulars	31 March 2022	31 March 2021
<b>Balance in statement of profit and loss</b>		
Balance at the beginning of year	24,406	22,937
Add: Transferred from profit and loss statement	13,546	1,468
<b>Balance at end of the year</b>	<b>37,951</b>	<b>24,406</b>

**4 Long-term Borrowings**

Particulars	31 March 2022	31 March 2021
<b>Secured</b>		
Term loans from financial institution	-	520
Less: Current maturities shown under other current liability	-	(417)
<b>Total</b>	<b>-</b>	<b>103</b>

**5 Short-term Borrowings**

Particulars	31 March 2022	31 March 2021
<b>Secured</b>		
Term loans from financial institution	103	3,565
<b>Total</b>	<b>103</b>	<b>3,565</b>

**Note 1: Loan From Yes Bank Limited**

- The loan is taken against vehicle purchase.
- The loan is secured against the vehicle purchased.
- The rate of interest charged is approximately 8% during FY 2021-22.
- The loan shall be repaid through fixed EMI over a period of 37 months beginning from June 2019 up to June 2022.
- As on the Balance Sheet date: Only 3 Installments are due.



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

(All amounts in INR thousands, unless otherwise stated)

**6 Trade payables**

Particulars	31 March 2022	31 March 2021
Dues of micro enterprises and small enterprises	400	420
Dues to others	1,55,594	1,31,646
<b>Total</b>	<b>1,55,994</b>	<b>1,32,066</b>

Refer note 6A for ageing analysis of Trade payables.

Also refer note no. 35 on details of dues to micro small and medium enterprises

**7 Other current liabilities**

Particulars	31 March 2022	31 March 2021
Current maturities of long term borrowings	-	417
Advances from customers	88	81
<u>Expenses payable:</u>		
Salary payable	-	401
Audit fees payable	135	139
Other expenses payable	16	-
<u>Other payables:</u>		
Statutory dues payable		
- TDS / TCS	166	97
- GST	1,110	3,466
- Profession tax	3	2
<b>Total</b>	<b>1,518</b>	<b>4,603</b>

**8 Short term provisions**

Particulars	31 March 2022	31 March 2021
Provision for tax	165	64
<b>Total</b>	<b>165</b>	<b>64</b>



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

(All amounts in INR thousands, unless otherwise stated)

**10 Non-current investments**

Particulars	31 March 2022	31 March 2021
Investments in equity instruments (quoted)	59,253	47,181
<b>Total</b>	<b>59,253</b>	<b>47,181</b>

**Note:** Non-current investments are valued at cost as per AS - 13.

**11 Deferred tax assets (Net)**

Particulars	31 March 2022	31 March 2021
<b>Primary component of deferred tax asset are as follows:</b>		
Fixed Assets	821	784
<b>Total net deferred tax assets (Net)</b>	<b>821</b>	<b>784</b>

**12 Long term loans and advances**

Particulars	31 March 2022	31 March 2021
<b>Unsecured, considered good</b>		
Security deposits	1,097	1,097
<b>Total</b>	<b>1,097</b>	<b>1,097</b>

**13 Inventories**

Particulars	31 March 2022	31 March 2021
<b>Stock in trade (As certified by management)</b>		
Jewellery tools and accessories	37,885	25,478
Dental equipments and accessories	2,414	1,982
Supplements and accessories	6,304	6,004
<b>Total</b>	<b>46,604</b>	<b>33,464</b>

**Note:**

- Inventories are valued at lower of cost and net realisable value.



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***14 Trade receivables**

Particulars	31 March 2022	31 March 2021
<b>Outstanding for a period exceeding six months from the date they are due for payment:</b>		
- Unsecured, considered good	2,595	4,453
<b>Other debts</b>		
- Unsecured, considered good	29,986	30,956
<b>Total</b>	<b>32,581</b>	<b>35,409</b>

Refer note 14A for ageing analysis of trade receivables

**15 Cash and cash equivalents**

Particulars	31 March 2022	31 March 2021
<u>Balances with banks</u>		
- In current accounts	3,536	13,164
Cash on hand	5	6
<b>Total</b>	<b>3,541</b>	<b>13,170</b>

**16 Short term loans and advances**

Particulars	31 March 2022	31 March 2021
<b>Unsecured, considered good</b>		
Loans and advances to related parties:		
- Trade advance to related parties	15,140	25,127
Other loans and advances:		
- Loans and advances to employees	25	-
- Advances to suppliers	739	2,198
- Prepaid expenses	19	80
- Balances with revenue authorities	2,912	2,492
- Balance in demat account	30,267	-
<b>Total</b>	<b>49,102</b>	<b>29,897</b>



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**

**Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

*(All amounts in INR thousands, unless otherwise stated)*

**9 Property, plant and equipment**

**i) Tangible assets**

Description	Gross Block				Accumulated Depreciation / Amortisation				Net Carrying Value	
	As at 01 April 2021	Additions	Disposals / Write off	As at 31 March 2022	As at 01-Apr-21	Depreciation for the year	Disposals / Adjustment	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Furniture and Fixtures	36	-	-	36	12	2	-	15	21	23
Vehicles	11,005	-	-	11,005	7,189	1,192	-	8,381	2,624	3,816
Office Equipment	232	148	-	380	169	25	-	194	187	64
Computers	159	-	-	159	158	1	-	159	0	1
<b>TOTAL</b>	<b>11,433</b>	<b>148</b>	<b>-</b>	<b>11,580</b>	<b>7,528</b>	<b>1,220</b>	<b>-</b>	<b>8,748</b>	<b>2,832</b>	<b>3,904</b>



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**

**Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

*(All amounts in INR thousands, unless otherwise stated)*

**6A Trade Payables ageing schedule:**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	400	-	-	-	400
(ii) Others	1,05,485	17,890	950	31,268	1,55,594
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

As at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	420	-	-	-	420
(ii) Others	89,300	9,657	21,662	11,027	1,31,646
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**14A Trade Receivables ageing schedule:**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - considered good	29,986	118	1,323	1,154	-	32,581
(i) Undisputed - considered doubtful	-	-	-	-	-	-
(iii) Disputed - considered good	-	-	-	-	-	-
(iv) Disputed - considered doubtful	-	-	-	-	-	-

As at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed - considered good	30,956	3,299	1,154	-	-	35,409
(i) Undisputed - considered doubtful	-	-	-	-	-	-
(iii) Disputed - considered good	-	-	-	-	-	-
(iv) Disputed - considered doubtful	-	-	-	-	-	-



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***17 Revenue from operations (Net)**

Particulars	31 March 2022	31 March 2021
Sale of products	2,52,370	1,77,422
Other operating revenue	125	-
<b>Total</b>	<b>2,52,496</b>	<b>1,77,422</b>

**18 Other income**

Particulars	31 March 2022	31 March 2021
<u>Interest income:</u>		
Interest on fixed deposit	108	183
Other interest income	-	9
Commission Income	-	80
Dividend income	611	525
Balances written back	84	19
Profit on sale of investments	15,812	1,072
Speculation gain	269	-
Foreign exchange gain	4,371	950
Other miscellaneous income	-	67
<b>Total</b>	<b>21,256</b>	<b>2,904</b>

**19 Purchase of traded goods**

Particulars	31 March 2022	31 March 2021
<u>Purchase:</u>		
Purchase of goods	2,17,931	1,34,856
Less: Discounts received	(252)	(3,673)
<u>Add: Direct expenses</u>		
Clearing and forwarding expense	1,666	1,332
Freight expense	532	510
Loading and unloading charges	37	136
Packing expense	402	173
<b>Total</b>	<b>2,20,316</b>	<b>1,33,334</b>





**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***20 Changes in Inventory of traded goods**

Particulars	31 March 2022	31 March 2021
Inventories at the beginning of the year	33,464	58,113
Less: Inventories at the end of the year	46,604	33,464
<b>Total</b>	<b>(13,140)</b>	<b>24,649</b>

**21 Employee Benefit Expenses**

Particulars	31 March 2022	31 March 2021
Directors remuneration	2,307	3,233
Salaries and wages	4,608	3,682
Staff welfare expenses	260	160
<b>Total</b>	<b>7,175</b>	<b>7,075</b>

**22 Finance costs**

Particulars	31 March 2022	31 March 2021
Interest on borrowings	108	495
Bank charges	79	82
<b>Total</b>	<b>186</b>	<b>577</b>

**23 Depreciation and amortisation expenses**

Particulars	31 March 2022	31 March 2021
Depreciation on tangible assets	1,220	1,742
<b>Total</b>	<b>1,220</b>	<b>1,742</b>



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***24 Other Expenses**

Particulars	31 March 2022	31 March 2021
Business promotion expense	645	-
Auditors remuneration	150	200
Commission on sales	5,439	3,804
Electricity expense	107	70
Insurance charges	130	289
Interest and late fees	859	640
Office expense	656	417
Other miscellaneous expense	15	191
Printing and stationery	92	38
Professional fees	516	349
Rates and taxes	111	234
Rent expense	785	1,290
Repairs and maintenance	429	116
Telephone and communication expense	245	118
Travel and conveyance	7,094	3,159
Loss from F&O trading	13,083	-
Warehouse expenses	49	110
Membership and subscriptions	118	-
Buying Commission	11,000	-
IT and software expenses	80	-
<b>Total</b>	<b>41,602</b>	<b>11,025</b>



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## ARC DISTRIBUTORS (I) PRIVATE LIMITED

### Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022

(All amounts in INR thousands, unless otherwise stated)

#### 25 Ratio Analysis

Sr.no.	Ratio Analysis	Numerator	Denominator	31-Mar-22	31-Mar-21	% Variance	Reason for Variance
1	Current Ratio	Total Current Assets	Total Current Liabilities	0.84	0.80	4.72%	
2	Debt Equity Ratio	Total Debt	Shareholders equity	1.03	36.67	-97.20%	The variance is on account of repayment of outside debt during the year.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	3.50	2.66	31.58%	The variance is on account of higher profits in the current year.
4	Return on Equity Ratio	Net Profit after taxes - preference dividend (if any)	Average Shareholders Equity	0.43	0.06	601.02%	The variance is on account of higher profits in the current year.
5	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	5.18	3.45	49.99%	The variance is on account of higher cost of goods sold during the year and lower average inventory.
6	Trade Receivables Turnover Ratio	Net Credit Sales	Average Trade Receivables	7.43	4.84	53.55%	The variance on account of improved recovery from debtors during the year.
7	Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	1.82	1.13	60.72%	The variance is on account of increased purchases during the year.
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	(9.73)	(6.26)	55.51%	The variance is on account of higher sales during the year.
9	Net Profit Ratio	Net Profit	Net Sales	0.05	0.01	548.15%	The variance is on account of higher profits and higher sales in the current year.
10	Return on Capital employed	EBIT	Capital Employed	43%	8%	451.10%	The variance is on account of higher profits in the current year.



## ARC DISTRIBUTORS (I) PRIVATE LIMITED

### Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022

(All amounts in INR thousands, unless otherwise stated)

#### 26 Expenses and remittance in Foreign Currencies during the financial year

Particulars	31 March 2022	31 March 2021
Import Purchase of Trading Goods (Refer note below)	1,80,896	1,03,599
Foreign Travelling	1,523	229
<b>Total</b>	<b>1,82,419</b>	<b>1,03,828</b>

Note: The amount of import purchase disclosed under this note is net of custom duty incurred.

#### 27 Earnings in Foreign Exchange

Particulars	31 March 2022	31 March 2021
Other income: Commission	-	51
<b>Total</b>	<b>-</b>	<b>51</b>

#### 28 Segmental Reporting

The Accounting Standard AS-17 issued by the Institute of Chartered Accountants of India is not applicable to the company, as the company does not fall in the category specified in the AS-17.

#### 29 Contingent liabilities

There were no contingent liabilities as on 31 March 2022 (Previous year Rs. Nil)

#### 30 Capital commitments

There were no capital commitments as on 31 March 2022 (Previous year Rs. Nil)



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**

**Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

*(All amounts in INR thousands, unless otherwise stated)*

**31 Related Party Disclosures**

Nature of relationship	Name of related party
Key managerial persons (Directors)	Devang Goradia Parth Vyas Vaibhav Pawar Deepan Jain
Relatives	Gaurang Goradia Vaishali Mane Rasila Goradia Rutu Vyas
Associates (Enterprises in which relatives / KMP exercise control)	ADD Nutrition ARC Distributors Perfect Body Co.

Nature of Transaction	31 March 2022	
	Associates / Relatives	KMP
<b>A. Remuneration, salary &amp; commission paid</b>		
Parth Vyas	-	820
Gaurang Goradia	1,376	-
Devang Goradia	-	857
Vaibhav Pawar	-	810
<b>Total</b>	<b>1,376</b>	<b>2,487</b>
<b>B. Rent expense</b>		
Vaishali Mane	420	-
<b>Total</b>	<b>420</b>	<b>-</b>
<b>C. Sales during the year:</b>		
ADD Nutrition	33	
Devang Goradia	1	



**ARC DISTRIBUTORS (I) PRIVATE LIMITED**

**Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022**

*(All amounts in INR thousands, unless otherwise stated)*

**31 Related Party Disclosures**

Nature of Transaction	31 March 2022	
	Associates / Relatives	KMP
<b>D. Trade Advances (Asset):</b>		
<b>ARC Distributors</b>		
Opening balance	20,826	
Add: Advances given	545	
Less: Advances returned	(9,271)	
<b>Closing Balance (Dr.)</b>	<b>12,101</b>	
<b>Perfect Body Co.</b>		
Opening balance	4,101	
Less: Advances returned	(1,261)	
<b>Closing Balance (Dr.)</b>	<b>2,840</b>	
<b>E. Loan (Asset):</b>		
<b>Devang Goradia</b>		
Opening balance		-
Add: Loan given to director		26,118
Less: Loan repaid by director		(26,118)
<b>Closing Balance</b>		<b>-</b>

Note: Previous years disclosures for related party transactions are as per previous year audited financials.



**ARC DISTRIBUTORS (I) PRIVATE LIMITED****Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022***(All amounts in INR thousands, unless otherwise stated)***32 Earning Per share**

Particulars	31 March 2022	31 March 2021
(a) Profits available to equity shareholders	13,546	1,468
(b) Number of weighted average equity shares of Rs.10 each	10,000	10,000
(c) Number of dilutive potential equity shares	10,000	10,000
Basic Earning per share (in Rs.) (a/b)	1,355	147
Diluted Earning per share (in Rs.) (a/c)	1,355	147

**33 Deferred taxes**

Particulars	31 March 2022	31 March 2021
The primary components that gave rise to deferred tax liabilities and assets are as follows:		
<b>Deferred tax asset</b>		
Tax effect of the timing difference on account of : Depreciation	821	784
<b>Net deferred tax asset</b>	<b>821</b>	<b>784</b>

**34 Auditor's remuneration**

Particulars	31 March 2022	31 March 2021
Statutory audit	150	150
Others	325	130
<b>Total</b>	<b>475</b>	<b>280</b>



## ARC DISTRIBUTORS (I) PRIVATE LIMITED

### Notes To Accounts Accompanying Financial Statements For The Year Ended 31 March 2022

(All amounts in INR thousands, unless otherwise stated)

#### 35 Details of dues to micro small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008, which recommends that the Micro, Small Enterprises should mention in the correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company the amounts payable to Micro, Small and Medium Enterprises as at 31 March 2022 are as below:

Name of MSME Party	31 March 2022	31 March 2021
R. N. Shah & Co.	-	172
R H D B & Co LLP	400	248
<b>Total</b>	<b>400</b>	<b>420</b>

36 The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

37 Previous year figures have been regrouped where necessary to confirm to current year's presentation.

38 Figures in the financial statements are disclosed in thousands.

#### As per our report of even date attached

For R H D B & Co LLP

Chartered Accountants

Firm's Registration No: 132490W/W-100125

*V. Shah*

**Viral Shah**

Partner

Membership No: 189204



Mumbai

Date: 20th September, 2022

UDIN: 22189204BBILJD7797

For and on behalf of the Board of Directors  
Arc Distributors (I) Private Limited

*Devang Goradia*

**Devang Goradia**

Director

DIN: 01951816

Mumbai

Date: 20th September, 2022

*Parth Vyas*

**Parth Vyas**

Director

DIN: 07884083

