Wakefit Innovations Private Limited
Balance Sheet
(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

	Notes	As at 31 March 2022	As at 31 March 2021
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	181	166
Reserves and surplus	4	34,407	23,779
		34,588	**23,945**
Non-current liabilities			
Long-term provisions	5	83	32
Other non-current liabilities	6	12	-
		95	**32**
Current liabilities			
Trade payables			
-Dues of micro enterprises and small enterprises	7	626	420
-Dues of creditors other than micro and small enterprises	7	7,629	5,432
Other current liabilities	8	2,061	1,196
Short-term provisions	9	579	375
		10,895	**7,423**
TOTAL EQUITY AND LIABILITIES		**45,578**	**31,400**
ASSETS			
Non current assets			
Fixed Assets			
- Property, Plant and Equipment	10(a)	10,461	4,849
- Intangible Assets	10(b)	131	5
- Capital Work in Progress	10(c)	4,297	153
Long-term loans and advances	11	2,412	3,007
		17,301	**8,014**
Current assets			
Inventories	12	13,702	7,620
Current investments	13	6,427	3,889
Trade receivables	14	1,299	782
Cash and bank balances	15	1,748	9,083
Short-term loans and advances	16	4,888	1,821
Other current assets	17	213	191
		28,277	**23,386**
TOTAL ASSETS		**45,578**	**31,400**
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm's Registration Number: 116231W/W-100024

VIPIN LODHA Digitally signed by VIPIN LODHA Date: 2022.09.27 22:14:19 +05'30'

Vipin Lodha
Partner
Membership number: 076806
Place: Bengaluru
Date: 27 September 2022

for and on behalf of the Board of Directors
Wakefit Innovations Private Limited

Ankit Garg Digitally signed by Ankit Garg Date: 2022.09.27 21:13:17 +05'30'

Ankit Garg
Director
DIN: 07451481
Place: Pattaya, Thailand
Date: 27 September 2022

CHAITANYA RAMALINGEGOWDA Digitally signed by CHAITANYA RAMALINGEGOWDA Date: 2022.09.27 21:37:18 +05'30'

Chaitanya Ramlingegowda
Director
DIN: 03458997
Place: Bengaluru
Date: 27 September 2022

PAWNI BHAVE Digitally signed by PAWNI BHAVE Date: 2022.09.27 21:38:21 +05'30'

Pawni Bhave
Company Secretary
M.No. A48587
Place: Bengaluru
Date: 27 September 2022

Wakefit Innovations Private Limited
Statement of Profit and Loss
(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

	Notes	For the year ended 31 March 2022	For the year ended 31 March 2021
Income			
Revenue from operations	18	63,281	40,860
Other income	19	370	822
Total income		**63,651**	**41,682**
Expenses			
Cost of materials consumed	20	38,003	27,036
Purchases of stock-in-trade	21	847	691
Changes in inventory of Traded goods, finished goods and work in progress	22	(1,493)	(3,460)
Employee benefit expense	23	9,159	5,775
Depreciation and amortisation expense	10(a) and 10(b)	1,045	529
Finance costs	24	6	2
Other expenses	25	26,261	14,851
Total expenses		**73,828**	**45,424**
Loss before tax		**(10,177)**	**(3,742)**
Tax expenses			
Current tax		-	-
Taxes pertaining to earlier years (net)		-	(8)
Deferred tax (credit)/ charge		-	(29)
Loss after tax		**(10,177)**	**(3,705)**
Earnings per equity share	26		
Basic		(100.66)	(36.67)
Diluted		(100.66)	(36.67)
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached:

for B S R & Associates LLP
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Firm's Registration Number: 116231W/W-100024

VIPIN LODHA Digitally signed by VIPIN LODHA Date: 2022.09.27 22:14:45 +05'30'

Vipin Lodha
Partner
Membership number: 076806
Place: Bengaluru
Date: 27 September 2022

for and on behalf of the Board of Directors
Wakefit Innovations Private Limited

Ankit Garg Digitally signed by Ankit Garg Date: 2022.09.27 21:13:52 +05'30'

Ankit Garg
Director
DIN: 07451481
Place: Pattaya, Thailand
Date: 27 September 2022

CHAITANYA RAMALINGEGOWDA Digitally signed by CHAITANYA RAMALINGEGOWDA Date: 2022.09.27 21:38:55 +05'30'

Chaitanya Ramlingegowda
Director
DIN: 03458997
Place: Bengaluru
Date: 27 September 2022

PAWNI BHAVE Digitally signed by PAWNI BHAVE Date: 2022.09.27 21:39:17 +05'30'

Pawni Bhave
Company Secretary
M.No. A48587
Place: Bengaluru
Date: 27 September 2022

Wakefit Innovations Private Limited
Statement of Cash Flows
(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flows from operating activities			
Loss before tax		(10,177)	(3,742)
Adjustments for:			
Interest income	19	(125)	(122)
Employee stock option compensation cost	23	520	710
Liabilities no longer required written back		-	(2)
Profit on sale of investments	23	(145)	(661)
Unrealised exchange difference, net		25	(16)
Allowance on sales return	25	22	116
Depreciation and amortisation expense	10(a) and 10(b)	1,045	529
Interest expense	24	6	2
Provision for doubtful debts	25	-	34
Provision for warranty	25	92	62
Bad debts written off	25	-	83
Advances written off	25	99	-
Loss on sale of property, plant and equipment (net)	25	15	1
Operating cash flows before working capital changes		**(8,623)**	**(3,006)**
Increase in trade receivables		(517)	(800)
Increase in inventory		(6,082)	(5,529)
Increase in loans and advances and other assets		(3,501)	(1,816)
Increase in trade payables		2,378	3,609
Increase in liabilities and provisions		624	754
Cash used in operating activities		**(15,721)**	**(6,788)**
Income taxes paid		(310)	(149)
Net cash used in operating activities (A)		**(16,031)**	**(6,937)**
Cash flows from investing activities			
Purchase of property, plant and equipment		(9,400)	(5,543)
Sale of property,plant and equipment		71	(4)
Redemption of mutual fund		18,709	18,598
Purchase of mutual fund		(21,100)	(16,756)
Interest on fixed deposits		121	122
Investment in fixed deposits (net)		6,176	(6,820)
Net cash used in investing activities (B)		**(5,423)**	**(10,403)**
Cash flows from financing activities			
Proceeds from issue of preference shares		20,299	18,498
Proceeds from issue of equity shares		1	-
Interest paid		(6)	(2)
Net cash generated from financing activities (C)		**20,294**	**18,496**
Net (decrease)/increase in cash and cash equivalent (A + B + C)		**(1,160)**	**1,156**
Cash and cash equivalents at the beginning of the year		1,616	460
Cash and cash equivalents at the end of the year	**15**	**456**	**1,616**
Components of cash and cash equivalents	**15**		
Balances with banks			
- in current accounts		455	1,604
Cash in hand		1	12
Cash and cash equivalents at the end of the year		**456**	**1,616**

As per our report of even date attached:

for B S R & Associates LLP
Chartered Accountants
Firm's Registration Number : 116231W/W-100024

VIPIN LODHA Digitally signed by VIPIN LODHA Date: 2022.09.27 22:15:12 +05'30'

Vipin Lodha
Partner
Membership number: 076806
Place: Bengaluru
Date: 27 September 2022

for and on behalf of the Board of Directors
Wakefit Innovations Private Limited

Ankit Garg Digitally signed by Ankit Garg Date: 2022.09.27 21:14:25 +05'30'

Ankit Garg
Director
DIN: 07451481
Place: Pattaya, Thailand
Date: 27 September 2022

CHAITANYA RAMALINGEGOWDA Digitally signed by CHAITANYA RAMALINGEGOWDA Date: 2022.09.27 21:39:50 +05'30'

Chaitanya Ramlingegowda
Director
DIN: 03458997
Place: Bengaluru
Date: 27 September 2022

PAWNI BHAVE Digitally signed by PAWNI BHAVE Date: 2022.09.27 21:40:13 +05'30'

Pawni Bhave
Company Secretary
M.No. A48587
Place: Bengaluru
Date: 27 September 2022

Wakefit Innovations Private Limited

Notes to the financial statements

1. Background

Wakefit Innovations Private Limited ('the Company') [Company Unique Identification Number U52590KA2016PTC086582] was incorporated on 01 March 2016 as per the provisions of Companies Act 2013. The registered office of the Company is located at Bengaluru, Karnataka, India. The Company is engaged in the business of manufacturing, packaging, distribution, marketing and sale of mattresses, pillows, comforters, furniture etc. The Company has transformed itself from a sleep solution company to a diversified home solutions Company and caters to varied requirements of online customers primarily in D2C segment.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented on the accrual basis of accounting and comply with the Accounting Standards referred to in section 133 of the Companies Act,2013 ('the Act'), as applicable and the relevant provisions of the Act, pronouncements of the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

The financial statements for the year ended 31 March 2022 have been prepared as per the requirements of Schedule III of the Act.

Accounting policies have been consistently applied as compared to previous year other than change in the inventory valuation method mentioned in inventories accounting policies (refer note 2.11). All amounts included in the financial statements are reported in INR Lakhs, except share and per share data, and have been rounded off to nearest rupee. The financial statements have been approved by Board of Directors of the Company on 27 September 2022.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period end. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Current and 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 realised 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 realised within 12 months after the 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.

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2. Significant accounting policies (continued)

2.3 Current and non-current classification (continued)

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

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period within 12 months for the purposes of classification of assets and liabilities as current and non-current.

2.4 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be measured reliably.

(i) Sale of goods

Revenue from sale of manufactured and traded goods in the course of ordinary activities is recognised on transfer of all the significant risks and rewards of ownership to the buyer which normally takes place on dispatch of goods except where such terms provided otherwise, where sales are recognised based on such terms 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.

The amount recognised as revenue is exclusive of goods and service tax and is net of returns, discounts wherever applicable.

(ii) Sale of services

Revenue from sale of services is recognized as and when the services are rendered as per the terms of the contract.

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2. Significant accounting policies (continued)

2.4 Revenue recognition (continued)

iii. *Interest*

Interest income is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

iv. *Sale of scrap*

Revenue from sale of scrap is recognized on transfer of all the significant risks and rewards of ownership to the customer which normally takes place on dispatch of goods.

2.5 Property, plant and equipment

Property, plant and equipment are carried at cost of acquisition or construction less accumulated depreciation and provision for impairment of assets, if any. The cost of property, plant and equipment includes freight, duties, taxes, non-refundable duties and other incidental expenses related to the acquisition or construction of the respective assets.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefit from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of profit and loss for the period during which such expenses are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed under “Long term loans and advances”. The costs of the property, plant and equipment, which are not ready for their intended use on such date, are disclosed as capital work in progress.

2.6 Intangible assets

Intangible assets are measured initially at cost. After initial recognition, intangible assets are recorded at cost less accumulated amortization and impairment cost, if any. Computer software is amortized on a straight line method over a period of three years. The amortization period and method used for amortization are reviewed at each period end. All intangible assets are assessed for impairment whenever there is an indication for impairment that an intangible asset may be impaired.

2.7 Impairment of assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs 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 recognised in the Statement of profit and loss. The recoverable amount is higher of the asset’s net selling price and value in use.

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2. Significant accounting policies (continued)

2.7 Impairment of assets (continued)

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 depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss had been recognized.

2.8 Leases

As Lessee

Leases where the lessor effectively retains substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognized an expense in the Statement of profit and loss on a straight-line basis over the lease term. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of profit and loss over the lease term.

2.9 Depreciation

Depreciation on property, plant and equipment is provided on straight line method, over the useful life of each asset as estimated by the management in accordance with Schedule II to the Companies Act, 2013 except for plant and machinery which are depreciated over a period of eight years, which is based on management's best estimate.

Assets	**Useful life**
Leasehold improvements	3 years or lease term whichever is lower
Plant and equipments	8 years
Vehicles	10 years
Office equipments	5 years
Computers	3 years
Furniture and fittings	10 years

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year. The residual value, appropriateness of depreciation period and depreciation method is reviewed by the management each financial year.

2.10 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long-term investments" in consonance with the current/non-current classification scheme of revised Schedule III.

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2. Significant accounting policies (continued)

2.10 Investments (continued)

Investments are either classified as current or long term based on management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value determined separately for each individual investment. Long term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of profit and loss.

2.11 Inventories

Inventories which comprise finished goods, work in progress, traded goods 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.

Till the financial year ended 31 March 2021, the Company had valued inventories under First in First out method. During the current year, the Company has changed the inventory valuation method to moving average price method so as to better represent the cost of manufacturing for some items of raw materials like chemicals etc, which are used in the manufacturing process. The impact of the change in the method of valuation has resulted an increase in the valuation of closing stock by INR 12,585 as at 31 March 2022 and lower cost of goods sold for the year ended 31 March 2022.

The methods of determination of cost of various categories of inventories are as follows:

Raw materials, packing materials, traded goods	–	Moving average method.
Work-in-progress and finished goods (including goods in transit)	–	Moving average method. Production overheads are allocated on the basis of normal capacity of production facilities.
Goods in transit	–	At purchase cost.

The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished goods in the ordinary course of business, less estimated cost of completion and estimated costs necessary to make the sale. Raw materials, packing materials and other supplies held for use in production of inventories are not written below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

2.12 Foreign exchange

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date; the resultant exchange differences are recognised in the Statement of profit and loss.

Ankit Garg

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Date: 2022.09.27 21:16:23 +05'30'

2. Significant accounting policies (continued)

2.12 Foreign exchange (continued)

In relation to the forward contracts entered into, to hedge the foreign currency risk of the underlying outstanding at the balance sheet date. The exchange difference on such a forward exchange contract is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date or the settlement date where the transaction is settled during the reporting year, and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the Statement of profit and loss in the reporting year in which the exchange rates change.

2.13 Employee benefits

Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus etc., which are to be paid in exchange for the employee services and are recognised as an expense in the Statement of profit and loss in the period in which the employee renders the related service.

Post-employment benefits

Defined contributions plan

The employee's provident fund scheme and employees' state insurance scheme are defined contribution plans. The Company's contribution paid/payable under these schemes is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plan

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The gratuity plan of the Company is unfunded. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

The liability in respect of defined benefit plans is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations. Actuarial gains and losses are recognised immediately in the Statement of profit and loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

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2. Significant accounting policies (continued)

2.13. Employee benefits (continued)

Other Long-term benefits

Compensated absences

Benefits under the Company's compensated absences constitute other long-term employee benefits, recognized as an expense in the Statement of profit and loss for the period in which the employee has rendered services. Estimated liability on account of these benefits is determined by an independent actuary on the projected unit credit method using the yield on government bonds, as on the date of the balance sheet, as the discounting rate, Actuarial gains and losses are charged to the Statement of profit and loss.

Employee stock option compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the fair value method. The employee stock option compensation expense is amortized over the vesting period of the option on a straight line basis.

2.14 Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure of 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. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty with convincing evidence of realisation of such assets. Deferred tax assets / liabilities are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Assets and liabilities representing current and deferred tax are disclosed on a net basis when there is a legally enforceable right to set off and management intends to settle the asset and liability on a net basis.

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2. Significant accounting policies (continued)

2.15. Taxation (continued)

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by Institute of Chartered Accountants of India ('ICAI'), the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

2.16 Earnings per share

The basic (loss)/earnings per share is computed by dividing the net profit or loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which would have been issued on conversion of all potentially dilutive equity shares. Potential dilutive equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The potentially dilutive equity shares have been adjusted for the proceeds receivable had the shares been actually issued at a fair value (i.e. the average market value of the outstanding shares). In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.17 Statement of Cash flows

Statement of Cash flows are reported using indirect method, whereby net profits/ (loss) before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.18 Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise cash in hand and balance in bank in current and deposit accounts. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Ankit Garg Digitally signed by Ankit Garg Date: 2022.09.27 21:17:21 +05'30'

(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

3 Share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount	Number of shares	Amount
Authorized				
Equity Shares				
Equity Shares of Rs. 1 each (previous year: Rs.1 each)	1,25,00,000	125	1,10,00,000	110
Preference Shares				
Compulsorily Convertible Preference Shares of Rs. 1 each (previous year: Rs.1 each)	1,03,00,000	103	1,03,00,000	103
	2,28,00,000	**228**	**2,13,00,000**	**213**
Issued, subscribed and fully paid-up				
Equity Shares				
Equity Shares of Rs. 1 each (previous year: Rs. 1 each)	1,01,10,200	101	1,01,10,100	101
Preference Shares				
Series A Compulsorily Convertible Preference Shares of Rs. 1 each (previous year Rs.1)	47,36,900	47	47,36,900	47
Series B Compulsorily Convertible Preference Shares of Rs. 1 each (previous year Rs.1)	17,52,350	18	17,52,350	18
Series C Compulsorily Convertible Preference Shares of Rs. 1 each (previous year Nil)	14,81,000	15	-	-
	1,80,80,450	**181**	**1,65,99,350**	**166**

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting year:

Particulars	31-Mar-22		31-Mar-21	
	Number	Amount	Number	Amount
Equity Shares				
Balance at the beginning of the year	1,01,10,100	101	10,000	1
Shares issued during the year	100	-	10	-
Shares issued due to split	-	-	90,090	-
Shares issued due to bonus	-	-	1,00,10,000	100
Balance at the end of the year	**1,01,10,200**	**101**	**1,01,10,100**	**101**
Preference Shares				
Series A Compulsorily Convertible Preference Shares				
Balance at the beginning of the year	47,36,900	47	4,690	-
Shares issued during the year	-	-	-	-
Shares issued due to split	-	-	42,210	-
Shares issued due to bonus	-	-	46,90,000	47
Balance at the end of the year	**47,36,900**	**47**	**47,36,900**	**47**
Series B Compulsorily Convertible Preference Shares				
Balance at the beginning of the year	17,52,350	18	-	-
Shares issued during the year	-	-	1,735	1
Shares issued due to split	-	-	15,615	-
Shares issued due to bonus	-	-	17,35,000	17
Balance at the end of the year	**17,52,350**	**18**	**17,52,350**	**18**
Series C Compulsorily Convertible Preference Shares				
Balance at the beginning of the year	-	-	-	-
Shares issued during the year	14,81,000	15	-	-
Balance at the end of the year	**14,81,000**	**15**	**-**	**-**

(b) Rights, preferences and restrictions attached to different classes of equity and preference shares

Equity shares

The Company has a single class of equity shares. The holder of the equity shares are entitled to receive dividend as declared from time to time subject to payment of dividend to preference shareholders. Each holder is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders.

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3 Share capital (continued)

(b) Rights, preferences and restrictions attached to different classes of equity and preference shares (continued)

Preference shares

Compulsorily convertible preference shares

Series A, Series B and Series C Compulsorily Convertible Cumulative preference shares (CCCPS) are convertible as follows :
a) Each Series CCCPS may be converted into Equity Shares at any time at the option of the holder of CCCPS.
b) Subject to compliance with Law, each CCCPS shall automatically be converted into Equity Shares, at the conversion price then in effect, upon earlier of
i) 1 (One) day prior to the expiry of 20 (Twenty) Years from the date of their issuance; or
ii) In connection with an IPO, prior to filing of the prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.
c) Each CCCPS shall be converted into Equity Shares at the Conversion Price determined as provided herein in effect at the time of conversion

Rights attached to preference share holders

The holder of preference shares are entitled to cumulative dividend of 0.0001%. In addition, the holder of preference shares carry preferential rights as to dividend over equity shareholders. The holders of preference shares are entitled to one vote per share on as-if converted basis. In the event of liquidation, the preference shareholders have preferential rights over equity shareholders to be repaid to the extent of capital paid up and dividend in arrears on such shares.

Employee stock options plan

Terms attached to stock options granted to employees are disclosed in note 40 regarding share based payments.

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

Equity shares

Name of the shareholder	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Ankit Garg	71,59,890	70.82%	71,59,890	70.82%
Chaitanya Ramlingegowda	21,45,240	21.22%	21,45,240	21.22%
	93,05,130	**92.04%**	**93,05,130**	**92.04%**

Series A preference shares

Name of the shareholder	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
SCI Investments VI	47,03,570	99.30%	47,03,570	99.30%

Series B preference shares

Name of the shareholder	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Verlinvest	13,71,580	78.27%	13,71,580	78.27%
SCI Investments VI	3,77,740	21.56%	3,77,740	21.56%
	17,49,320	**99.83%**	**17,49,320**	**99.83%**

Series C preference shares

Name of the shareholder	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
SAI Global India Fund I, LLP	8,02,500	54.19%	-	-
Verlinvest	5,47,200	36.95%	-	-
SCI Investments VI	1,31,300	8.86%	-	-
	14,81,000	**100.00%**	**-**	**-**

(d) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment: Refer note 40. The Company has also reserved 1,122,110 equity shares towards the Employee stock option plan.

(e) The Company has issued bonus shares for consideration other than cash during the last five years as per the below table

Particulars	31-Mar-21	
	Number	Amount
Equity shares	1,00,10,000	100
Series A preference shares	46,90,000	47
Series B preference shares	17,35,000	17
	1,64,35,000	**164**

During the previous year, the shareholders have approved bonus issue in the ratio of 100:1. The Company allotted 16,435,000 shares as fully paid up bonus shares on 20 February 2021 by utilising securities premium account amounting to Rs. 164 Lakhs. The bonus shares once allotted shall rank pari passu in all respects and carry the same rights as the existing shareholders and shall be entitled to participate in full, in any dividend and other corporate action, recommended and declared after the new shares are allotted.

The Company has issued shares for consideration other than cash during the last five years by doing a stock split as per the below table:

Particulars	31-Mar-21	
	Number	Amount
Equity shares	90,090	-
Series A preference shares	42,210	-
Series B preference shares	15,615	-

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

3 Share capital (continued)

(f) The Board of Directors at their meeting held on 15 December 2020 approved the sub-division of each equity share of face value of Rs. 10 each fully paid up into Rs.1 equity share each. The same was approved by the shareholders on 3 December 2020. The effective date of sub-division was 16 December 2020.

(g) Details of shares held by Promoters

Name of the Promoters	As at 31 Mar 2022		As at 31 March 2021	
	Number of shares	% of holding	Number of shares	% of holding
Ankit Garg	71,59,890	70.82%	71,59,890	70.82%
Chaitanya Ramlingegowda	21,45,240	21.22%	21,45,240	21.22%
	93,05,130	**92%**	**93,05,130**	**92%**

4 Reserves and surplus

	Particulars	As at 31 March 2022	As at 31 March 2021
A	**Securities premium account**		
	Balance at the beginning of the year	24,834	6,500
	Add: Premium on issue of equity shares	1	-
	Add: Premium on issue of compulsory convertible preference share	20,284	18,498
	Less: Amount utilised for issue of Bonus shares	-	(164)
		45,119	**24,834**
B	**Surplus from Statement of profit and loss**		
	Balance at the beginning of the year	(1,765)	1,940
	Add: Loss for the year	(10,177)	(3,705)
		(11,942)	**(1,765)**
C	**Employee stock options outstanding**		
	Balance at the beginning of the year	710	-
	Add: ESOP expense for the year	520	710
		1,230	**710**
	Total reserves and surplus	**34,407**	**23,779**

5 Long-term provisions

Particulars	As at 31 March 2022	As at 31 March 2021
- Gratuity (refer note 32)	83	32
	83	**32**

6 Other Non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Rent equalization reserve	12	-
	12	**-**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

7 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
-Dues of micro enterprises and small enterprises (refer note 30)	626	420
-Dues of creditors other than micro enterprises and small enterprises	7,629	5,432
	8,255	**5,852**

Ageing for trade payables outstanding as at March 31, 2022 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
(i)MSME	591	35	-	-	-	**626**
(ii)Others	5,907	396	-	-	-	**6,303**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	6,498	**431**	**-**	**-**	**-**	**6,929**
Accrued Expenses						**1,326**
						8,255

Ageing for trade payables outstanding as at March 31, 2021 is as follows:

Particulars	Outstanding for following periods from due date of payment					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
(i)MSME	420	-	-	-	-	**420**
(ii)Others	5,091	-	-	-	-	**5,091**
(iii) Disputed dues - MSME	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	5,511	**-**	**-**	**-**	**-**	**5,511**
Accrued Expenses						**341**
						5,852

The accrued expenses have been reclassified from other current liabilities to trade payables to align with the requirements of the recent changes in Guidance note on Schedule III to the Companies Act, 2013.

8 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customers	857	716
Statutory dues payable (includes TDS, PF, ESIC)	259	315
Accrued salaries and benefits	229	111
Capital creditors	415	23
Mark to Market loss on derivative contract *	-	-
Rent equalization reserve	301	31
	2,061	**1,196**

* Amount as on 31 March 2021 is Rs. 47,337/-

9 Short-term provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for compensated absences	162	72
Provision for warranty*	195	103
Provision for sales return **	222	200
	579	**375**

* Provision is recognised for expected warranty claims on products sold, based on the past experience of the level of repairs and returns. The Company generally provides warranty for a term of 1-10 years on its products. The assumptions used to calculate the provision for warranties are based on current sales levels and current information available based on prior years' warranty cost for all the products sold. The table below gives information about movement in warranty provision:

At the beginning of the year	103	42
Add: Provision during the year	92	61
At the end of the year	**195**	**103**

**The table below gives information about movement in provision for sales which are expected to be returned subsequent to the year end :

At the beginning of the year	200	84
Add: provision during the year	222	200
Less: utilised during the year	(200)	(84)
At the end of the year	**222**	**200**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

10(a) Property, plant and equipment

	Gross block				Accumulated depreciation				Net block
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletions	As at 31 March 2022	As at 31 March 2022
Leasehold improvements	235	447	-	682	36	110	-	146	536
Plant and equipments	4,375	5,688	(82)	9,981	467	644	(8)	1,103	8,878
Vehicles	7	-	-	7	1	1	-	2	5
Office equipment	106	91	-	197	18	27	-	45	152
Computers	467	379	-	846	121	195	-	316	530
Furniture and fittings	338	109	(15)	432	36	38	(2)	72	360
Total	**5,528**	**6,714**	**(97)**	**12,145**	**679**	**1,015**	**(10)**	**1,684**	**10,461**

Description	Gross block				Accumulated depreciation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletions	As at 31 March 2021	As at 31 March 2021
Leasehold improvements	43	192	-	235	2	34	-	36	199
Plant and equipments	1,575	2,811	(11)	4,375	112	358	(3)	467	3,908
Vehicles	7	-	-	7	0	1	-	1	6
Office equipment	33	73	-	106	5	13	-	18	88
Computers	152	315	-	467	32	89	-	121	346
Furniture and fittings	52	286	-	338	3	33	-	36	302
Total	**1,862**	**3,677**	**(11)**	**5,528**	**154**	**528**	**(3)**	**679**	**4,849**

10(b) Intangible Assets

Description	Gross block				Accumulated depreciation				Net block
	As at 1 April 2021	Additions	Deletions	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletions	As at 31 March 2022	As at 31 March 2022
Computer Software	6	156	-	162	1	30	-	31	131
Total	**6**	**156**	**-**	**162**	**1**	**30**	**-**	**31**	**131**

Description	Gross block				Accumulated depreciation				Net block
	As at 1 April 2020	Additions	Deletions	As at 31 March 2021	As at 1 April 2020	Charge for the year	Deletions	As at 31 March 2021	As at 31 March 2021
Computer Software	-	6	-	6	-	1	-	1	5
Total	**-**	**6**	**-**	**6**	**-**	**1**	**-**	**1**	**5**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

10(c) Capital Work in Progress

Particulars	As at 31 March 2021	Additions	Capitalizations	As at 31 March 2022
Capital Work in Progress	153	4,297	(153)	4,297
Total	**153**	**4,297**	**(153)**	**4,297**

Particulars	As at 31 March 2020	Additions	Capitalizations	As at 31 March 2021
Capital Work in Progress	-	153	-	153
Total	**-**	**153**	**-**	**153**

Capital work in progress (CWIP) Ageing Schedule

As at 31 March 2022

Particulars	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3years	
Projects in progress	4,297	-	-	-	4,297
Projects temporarily suspended	-	-	-	-	-
Total	**4,297**	**-**	**-**	**-**	**4,297**

As at 31 March 2021

Particulars	Amount in CWIP				Total
	Less than 1 year	1-2 years	2-3 years	More than 3years	
Projects in progress	153	-	-	-	153
Projects temporarily suspended	-	-	-	-	-
Total	**153**	**-**	**-**	**-**	**153**

Note
There are no projects where the completion is overdue or cost has exceeded when compared to its original plan.

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11 Long-term loans and advances

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good, unless otherwise stated		
Capital advances	611	1,833
Advance tax including tax deducted at source	767	457
Security deposits	1,034	717
	2,412	**3,007**

12 Inventories
(Valued at cost or net realisable value whichever is lower)

Particulars	As at 31 March 2022	As at 31 March 2021
Raw material [including Goods-in-transit Rs.977 Lakhs (previous year Rs.196 Lakhs)] [foot note (i)]	7,943	3,354
Work in progress [foot note (ii)]	1,001	788
Finished goods [foot note (iii)]	4,144	3,415
Traded goods [foot note (iv)]	614	63
	13,702	**7,620**

(i) Raw materials are net of provision as at 31 March 2022 amounting to Rs. 48 Lakhs (31 March 2021: Nil).
(ii) Work in progress are net of provision as at 31 March 2022 amounting to Rs. 36 Lakhs (31 March 2021: Nil).
(iii) Finished goods are net of provision as at 31 March 2022 amounting to Rs. 96 Lakhs (31 March 2021: Nil).
(iv) Traded goods are net of provision as at 31 March 2022 amounting to Rs. 7 Lakhs (31 March 2021: Nil).

13 Current investments

Particulars	As at 31 March 2022	As at 31 March 2021
(Valued at cost or net realisable value whichever is lower)		
Investment in mutual funds, non-trade, unquotec		
Aditya Birla Sun Life Liquid (Direct Growth) (Nil units, previous year: 28,214 units)	-	93
Aditya Birla Sun Life Money Manager Fund (Direct Growth) (Nil units, previous year: 21,810 units)	-	62
Axis Liquid (Direct Growth) (Nil units, previous year: 4,163 units)	-	94
Axis Short Term Fund (Direct Growth) - (68,791 units, previous year: Nil units)	1,607	-
HDFC Money market Fund (Nil units, previous year: 24,880 units)	-	1,102
ICICI Prudential Money Market (Direct Growth) (Nil units, previous year: 567,627 units)	-	1,660
ICICI Prudential Liquid Fund (Direct Growth) (547,278 units, previous year: 97,753 units)	1,705	295
Kotak Liquid (Direct Growth) (37,796 units, previous year: Nil units)	1,607	-
Nippon India Low Duration (Direct Growth) (Nil units, previous year: 13,499 units)	-	430
SBI Liquid Fund (Direct Growth) (45,780 units, previous year: 4,779 units)	1,508	153
	6,427	**3,889**
Aggregate amount of unquoted investment and market value thereof	6,485	3,927
Aggregate provision for diminution in value of investment	*Nil*	*Nil*

14 Trade receivables

	Particulars	As at 31 March 2022	As at 31 March 2021
(a)	*(Unsecured and considered good, unless otherwise stated)*		
	Outstanding for a period exceeding six months from the date they are due for payment		
	- considered good	-	-
	- considered doubtful	-	46
	Less: Provision for doubtful debts	-	(46)
	Other receivables		-
	- considered good	1,299	782
	- considered doubtful	-	26
	Less: Provision for doubtful debts	-	(26)
		1,299	**782**

Note: During the current year, trade receivables aggregating to Rs. 72 lakhs have been written off against provision for doubtful debts.

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

14 Trade receivables (continued)

(b) Trade receivables ageing Schedules for the year ended 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
Undisputed Trade Receivables – considered good	1,299	-	-	-	-	**1,299**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-
	1,299	**-**	**-**	**-**	**-**	**1,299**

Trade receivables ageing Schedules for the year ended 31 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
Undisputed Trade Receivables – considered good	782	-	-	-	-	**782**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	26	-	46	-	-	**72**
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivable – credit impaired	-	-	-	-	-	-
	808	**-**	**46**	**-**	**-**	**854**
Less : Provision for doubtful debts						**(72)**
Net Trade receivables						782

15 Cash and bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents		
Cash on hand	1	12
Balances with banks:		
-on current accounts	455	1,604
	456	**1,616**
Other bank balances		
-on fixed deposits with bank*	1,292	7,467
	1,748	**9,083**

* Fixed deposits with a original maturity period of less than 3 months are classified as "Cash and cash equivalents" and fixed deposits with a original maturity period of greater than 3 months, but with a maturity date of less than 12 months from balance sheet date are classified as "Other bank balances".

16 Short-term loans and advances

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
To parties other than related parties		
Advances to suppliers	612	266
Employee advances	51	7
Balances with government authorities	3,814	1,367
Security deposits	179	-
Prepaid expenses	232	181
	4,888	**1,821**

17 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Interest accrued	18	14
Unbilled revenue	67	123
Other receivable	128	54
	213	**191**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

18 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Sale of products		
Sale of manufactured goods	60,756	38,709
Sale of traded goods	560	1,196
	61,316	**39,905**
Sale of services	**922**	**451**
Other operating income		
Scrap sales	1,043	504
	63,281	**40,860**
Breakup of revenue from sale of traded goods		
Neck Pillow	248	895
Study Chair	173	173
Comforter	-	95
Others	139	33
	560	**1,196**

19 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income	125	122
Foreign exchange gain	95	32
Profit on sale of investments	145	661
Miscellaneous income	5	7
	370	**822**

20 Cost of materials consumed

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials at the beginning of the year	3,354	1,285
Add: Purchases	42,592	29,105
Less: Raw materials at the end of the year	(7,943)	(3,354)
	38,003	**27,036**

21 Purchases of stock-in-trade

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Traded goods	847	691
	847	**691**
Breakup of purchase of traded goods		
Neck Pillow	74	611
Study Chair	365	80
Others	408	-
	847	**691**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

22 Changes in inventories of finished goods, work-in-progress and traded good

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance		
Finished goods	3,415	378
Work-in-progress	788	331
Traded goods	63	97
	4,266	**806**
Closing balance		
Finished goods	4,144	3,415
Work-in-progress	1,001	788
Traded goods	614	63
	5,759	**4,266**
Changes in inventories of finished goods, work-in-progress and traded good	**(1,493)**	**(3,460)**
Breakup of traded goods		
Neck Pillows	-	63
Study Chair	170	-
Others	444	-
	614	**63**

23 Employee benefit expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and wages	8,059	4,746
Contribution to provident and other fund	360	202
Employee stock option compensation cost (refer note 40)	520	710
Staff welfare expenses	220	117
	9,159	**5,775**

24 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on overdraft	6	2
	6	**2**

25 Other expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores and spares	589	257
Power and fuel	513	250
Commission	4,042	1,776
Courier and delivery charges	5,812	3,358
Advertisement and business promotion	6,121	4,313
Contract labour charges	4,062	2,161
Rent	1,849	860
Professional and consultancy charges (refer note 29)	833	202
Rates and taxes	48	58
Warranty	92	62
Travelling and conveyance expenses	219	56
Allowance on sales return	22	116
Repairs and maintenance		
- machinery	57	129
-building	40	43
-others	42	20
Printing and stationery	69	38
Communication	176	107
Software support and maintenance	571	196
Payment gateway charges	606	456
Security charges	227	103
Insurance	36	25
Bad debts written off	-	83
Provision for doubtful debts	-	34
Advances written off	99	19
Loss on sale of property, plant and equipment	15	1
Corporate Social Responsibility (refer note 41)	18	7
Bank charges	65	31
Miscellaneous	38	90
	26,261	**14,851**

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26 Earnings per share (EPS)

The following reflects the loss and share data used in the basic EPS computations:

Particulars	As at 31 March 2022	As at 31 March 2021
Loss after taxation for the year available to equity shareholders	(10,177)	(3,705)
Nominal value of equity shares (Rs.)	1	1
Weighted average equity shares for computing basic EPS	1,01,10,134	1,01,02,767
Weighted average equity shares for computing basic EPS and dilutive EPS	1,01,10,134	1,01,02,767
Basic earnings per share (Rs.)	(100.66)	(36.67)
Number of shares considered as basic weighted average shares outstanding	1,01,10,134	1,01,02,767
Add: Effect of potential issue of shares/stock options*	78,54,566	59,59,420
Number of shares considered as weighted average shares and potential shares outstanding	1,79,64,700	1,60,62,187
Net loss after tax for diluted earnings per share	(10,177)	(3,705)
Loss per share - Diluted	(100.66)	(36.67)

* Not considered for diluted EPS calculation since would be anti-dilutive

27 Related party disclosures

Names of related parties and related party relationships

a) Key management personnel

Ankit Garg	Director
Chaitanya Ramlingegowda	Director
Sakshi Vijay Chopra	Nominee Director
Arjun Anand	Nominee Director (w.e.f 21 July 2021)
Abhishek Upadhyay	Company Secretary (till 28 April 2021)
Ishant Baranwal	Company Secretary (w.e.f 29 April 2021 till 21 July 2021)
Pawni Bhave	Company Secretary (w.e.f 21 July 2021)

b) Following is the summary of significant transactions with related parties:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Remuneration paid*		
Ankit Garg	65	67
Chaitanya Ramlingegowda	65	67
Reimbursement of expenses		
Ankit Garg	-	76
Chaitanya Ramlingegowda	1	70

* Does not include gratuity or compensated abscenses that are done by Actuary for the Company as a whole.

c) There are no balances outstanding to related parties as at the end of the current year and previous year.

28 Leases

Operating leases:
The Company has obtained office, warehouses and plant facilities under non-cancellable and cancellable operating leases. The lease payments recognised in the Statement of Profit and Loss for the year ended 31 March 2022 amounting to Rs. 1,849 lakhs (31 March 2021: Rs. 860 lakhs) has been appropriately included under Other expenses - Rent.

The total of future minimum lease payments in respect of premises taken on lease under non-cancellable operating leases are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
For a period not later than one year	2,050	562
For a period later than one year but not later than five years	4,672	824
For a period later than five years	-	-

Ankit Garg

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

29 Auditors remuneration (excluding applicable taxes)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Statutory audit	26	20
Reimbursement of out of pocket expenses	1	2
	27	**22**

30 Dues to micro and small suppliers defined under MSMED Act, 2006

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2022 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at 31 March 2022	As at 31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal	626	420
- Interest	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

31 Particulars of foreign currency exposures as at the reporting date

Particulars	As at 31 March 2022		As at 31 March 2021	
	Amount in original currency	Amount in Rs.	Amount in original currency	Amount in Rs.
Trade payable				
Unhedged				
USD	22	1,646	2	154
EURO	2	207	1	50
Hedged				
USD	-	-	7	544
Capital Advances				
Unhedged				
USD	3	260	-	-
EURO	0.30	26	14	1,286

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32 Employee benefit: Post-employment benefit plans

Defined Contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards provident fund and employee state insurance fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related services.

During the year, the Company has recognised Rs. 360 lakhs (Previous year: 202 lakhs) in the Statement of profit and loss towards provident fund contribution and employee state insurance fund which are included in contribution to provident and other funds.

Defined Benefit plans

The Company operates post-employment defined benefit plan that provides gratuity. Every employee who has completed five years or more of service is eligible for gratuity on separation, worked out at one-half month's salary (last drawn salary) for each completed year of service. The Company do not have any plan assets.

The following table sets set out the status of the gratuity plan as required under Accounting standard (AS) 15 "Employee Benefits" prescribed by Companies (Accounting Standards) Rules, ('the Rules'), to the extent applicable.

Reconciliation of the defined benefit obligations:

Particulars	As at 31 March 2022	As at 31 March 2021
Obligations at the commencement of the year	33	61
Interest cost	2	4
Current Service Cost	41	19
Actuarial loss /(gain)	7	(51)
Obligations at the end of the year	**83**	**33**
Gratuity cost for the year		
Service cost	41	19
Interest cost	2	4
Actuarial loss/(gain)	7	(51)
Net gratuity cost	**50**	**(28)**
Analysis of Actuarial Loss/(Gain)		
Financial assumption changes in DBO	9	1
Experience adjustments on DBO	3	16
Demographic assumption changes in DBO	(5)	(68)
Total Actuarial Loss/(Gain)	**7**	**(51)**
Financial assumptions		
Discount rate	6.47%	6.43%
Salary escalation rate	12.81%	10.00%
Demographic assumptions		
Withdrawal rate	56.09%	52.70%
Retirement age	58	58

Employee gratuity scheme	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined benefits Obligation	83	32	61	18
Plan assets	-	-	-	-
Deficits	(83)	(32)	(61)	(18)
Experience adjustments on plan liabilities	3	16	(4)	-
Experience adjustments on plan assets	-	-	-	-

Notes:

(i) The discount rate is based on the prevailing market yield on high quality corporate bonds as at the balance sheet date for the estimated term of obligations.

(ii) The estimate of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

33 The Company's primary business segment is manufacture of mattress, furnitures and beds and has only one geographical segment i.e., 'India'. Consequently, the requirement for a separate disclosure as required under Accounting Standard 17 - 'Segment Reporting' is not applicable.

34 There are no earnings in foreign currency in the current year and previous year.

35 Value of imported and indigenous raw materials consumed

Particulars	For the year ended 31 March 2022	%	For the year ended 31 March 2021	%
Imported	12,260	32%	6,208	23%
Indigenous	25,743	68%	20,828	77%
Total	**38,003**	**100%**	**27,036**	**100%**

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

36 Value of imports on CIF basis (on accrual basis)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Raw materials	13,947	7,272
Capital goods	5,997	1,239
Total	**19,944**	**8,511**

37 Expenditure in foreign currency

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Consumption of stores and spares	2	-
Professional and consultancy charges	8	-
Advertisement and business promotion	6	-
Software support and Maintenance	5	-
	21	-

38 Capital commitments and Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent liabilities *	3	-
Capital commitments	2,153	4,240

* A suit has been filed against the Company for alleged infringement of trademark. The Company is currently evaluating the matter and will take the necessary course of action in the due course. The Company's management believes that this matter is not likely to have any significant impact on its financial statements.

(i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

(iii) The Company doesn't expect any reimbursements in respect of the above contingent liabilities

39 Deferred tax

Particulars		As at 31 March 2022	As at 31 March 2021
Deferred tax asset*			
Provision for gratuity		24	18
Provision for compensated absences		47	21
Provision on bonus		50	47
Provision for warranty		57	30
Straight lining of lease rental expense		91	9
Provision for sales return		65	58
Disallowed u/s 40(a)(ia) - Expenses without TDS		2	28
Provision for doubtful debts		-	21
Carry forward loss as per Income Tax Act		4,020	1,131
	(A)	**4,357**	**1,363**
Deferred tax liability			
Excess of depreciation on fixed assets under income-tax law over depreciation provided in		(411)	(280)
	(B)	**(411)**	**(280)**
Deferred tax assets (net)	**(A-B)**	**3,947**	**1,083**
Deferred tax assets/(liability) recognised		**-**	**-**

*'Recognition of the deferred tax asset on unabsorbed depreciation and carry forward business losses have been restricted to the deferred tax liability recognised on excess of depreciation allowable under Income-tax Act, 1961 over depreciation provided in financial statements as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets will be realised.

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

40 Employee stock option plan ('ESOP')

The Company provides share-based payment schemes to its employees. The Company has adopted the Guidance note on Accounting for share based payments issued by the Institute of Chartered Accountants of India w.e.f 31 March 2021 for accounting of ESOP scheme. The Company measures and recognises cost of employee stock options using the fair value

On 21 May 2019, the Board of directors approved the equity settled "Wakefit ESOP Plan 2019" for issue of stock options to various employees (as defined in the ESOP policy) of the Company. According to the scheme, the employees will be entitled to options, subject to satisfaction of the prescribed vesting conditions, i.e., continuing employment of a minimum of 1 year and graded vesting on quarterly basis for next 48 months. The contractual life (comprising the vesting period and the exercise period) of options granted is 10 years from date of such grant. On 21 July 2021, the Board of directors adopted the revised plan. The other relevant terms of the grant are as below:

Vesting period	As mentoned in the grant letter of optionee which is genrally in range of 2-4 years from the date of grant
Grant date	Date of joining or any subsequent date as decided by the management
Exercise period	Within 10 years from the date of grant
Expected life	10 years from the date of grant
Exercise price	Rs 1

The estimate of fair value of each Options is calculated using the Black Scholes Option Pricing model considering the following inputs:

Weighted average share price	Rs. 734-969
Exercise price	Rs.1
Risk free rate	5.60%-6.20%
Expected volatility	30%
Option life	11 to 15 years

The details of activity under the Scheme are summarized below:

Particulars	31-Mar-22 No. of options	31-Mar-21 No. of options
Outstanding at the beginning of the year	8,41,162	-
Granted during the year	1,52,812	8,41,162
Forfeited during the year	(76,056)	-
Exercised during the year	-	-
Outstanding at the end of the year	**9,17,918**	8,41,162
Exercisable at the end of the year	2,94,041	-

Weighted average remaining contractual life for the stock options outstanding as at 31 March 2022 is 10.4 years.

Weighted average Fair Value of stock options granted during the year was Rs 906.

41 Corporate Social Responsibility

Pursuant to the requirement of Section 135 of the Companies Act, 2013, the Company is not required to spend towards CSR activities during year ended 31 March 2022.

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Amount required to be spent by the Company during the year	-	25
Amount of expenditure incurred*	18	7
Amount of shortfall for the year	-	18
Amount of cumulative shortfall at the end of the year	-	18

* Amount incurred pertains to previous year.

42 Analytical Ratios

Ratios	Numerator	Denominator	31-Mar-22	31-Mar-21	% change	Reason for variance
Current Ratio (in times)	Current Assets	Current Liabilities	2.60	3.15	(18)%	NA
Debt- Equity Ratio (in times)	Total Debt	Shareholder’s Equity	-	-	0%	NA
Debt Service Coverage Ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Principal Repayments	-	-	0%	NA
Return on Equity Ratio (in %)	Loss after tax	Average Shareholder’s Equity	(35)%	(23)%	(52)%	Note 1
Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	3.50	5.00	(30)%	Note 2
Trade Receivable Turnover Ratio (in times)	Revenue from operations	Average Trade Receivable	60.83	92.79	(34)%	Note 3
Trade Payable Turnover Ratio (in times)	Purchases	Average Trade Payables	6.16	7.36	(16)%	NA
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital (Working capital = Current assets - Current liabilities)	3.79	3.68	3%	NA
Net Profit ratio (in %)	Loss after tax	Revenue from operations	(16)%	(9)%	(77)%	Note 1
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth	(29)%	(16)%	(88)%	Note 1
Return on Investment (in %)	Income generated from invested funds	Average invested funds	3%	9%	(70)%	Note 4

Note 1: Decrease due to increase in expenses on account of increase in operations during the year.
Note 2: Decrease due to increase in inventory levels on account of set up of additional factories and warehouses during the year.
Note 3: Decrease due to increase in revenue on account of increase in operations during the year.
Note 4: Decrease due to reduction in profit on sale of mutual funds. Return on Investment for FY21 is at 9% mainly due to capital gain for investments held in liquid mutual fund with an average holding period of 2-2.5 years are booked in the year of sale while annualised return on these investments works out to be 4-5%.

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(Amount in Rs. Lakhs except share and per share data, unless otherwise stated)

43 Quarterly Statements

The quarterly statement as submitted to the banks when compared to the books of accounts of the Company and the reasons for variances are as follows

Reconciliation of statements submitted to banks

Quarter	Particulars	Amount as per books of accounts	Amount as per quarterly statements	Amount of difference	Reason for material discrepancies	Name of the Banks
June 2021	Inventories	7,761	7,532	229	Pertains to cut off reversal of sales.	ICICI Bank
June 2021	Trade receivables	1,592	1,495	97	Cash on delivery related receivables were inadvertently not considered.	
June 2021	Trade payables	3,834	3,849	(15)	Difference on account of foreign exchange restatement.	
December 2021	Trade receivables	2,172	2,252	(80)	Due to mapping issue and cash on delivery related receivables were inadvertently not considered for reporting.	Yes Bank, ICICI Bank and HDFC Bank
March 2022	Inventories	13,702	13,596	106	Due to purchase cut off entries and inventory provision entries.	Yes Bank, ICICI Bank and HDFC Bank
March 2022	Trade receivables	1,299	1,604	(305)	Due to sales cut off related adjustments.	
March 2022	Trade payables	8,255	6,809	1,446	Due to considering accrued expenses as part of trade payables and partly offset by reclassifications to capital creditors.	

44 Additional regulatory information required by Schedule III

(i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

(ii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(iv) The Company has not defaulted on any loans obtained from banks or financial institutions.

(v) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax

(vi) The Company has no transactions with the struck off Companies.

(vii) A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall;
i. 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
ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

B. The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall;
i. 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
ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(viii) The restriction on number of layers prescribed under the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the

45 Working capital facilities

The Company has following funded and unfunded working capital facilities from banks as at the balance sheet date:

Name of the Bank	Fund Based Limits	Non Fund Based Limits	Total Limits
ICICI Bank	2,000	1,000	3,000
Yes Bank	100	1,500	1,600
HDFC Bank	-	1,500	1,500

These facilities are secured by first charge on current assets of the Company.

46 Previous year figures have been regrouped/reclassified wherever necessary to confirm to the current year's classification.

for B S R & Associates LLP
Chartered Accountants
Firm's Registration Number : 116231W/W-100024

VIPIN LODHA Digitally signed by VIPIN LODHA Date: 2022.09.27 22:16:22 +05'30'

Vipin Lodha
Partner
Membership number: 076806
Place: Bengaluru
Date: 27 September 2022

for and on behalf of the Board of Directors
Wakefit Innovations Private Limited

Ankit Garg Digitally signed by Ankit Garg Date: 2022.09.27 21:22:44 +05'30'

Ankit Garg
Director
DIN: 07451481
Place: Pattaya, Thailand
Date: 27 September 2022

CHAITANYA RAMALINGEGOWDA Digitally signed by CHAITANYA RAMALINGEGOWDA Date: 2022.09.27 21:40:42 +05'30'

Chaitanya Ramlingegowda
Director
DIN: 03458997
Place: Bengaluru
Date: 27 September 2022

PAWNI BHAVE Digitally signed by PAWNI BHAVE Date: 2022.09.27 21:41:06 +05'30'

Pawni Bhave
Company Secretary
M.No. A48587
Place: Bengaluru
Date: 27 September 2022