Honasa Consumer Private Limited
Cash flow statement for the year ended March 31, 2021
(All amounts in Indian Rupees, except as otherwise stated)

	March 31, 2021 (Rs)	March 31, 2020 (Rs)
Cash flows from operating activities		
Profit/(Loss) before tax	29,66,57,027	(5,91,94,805)
Adjustment to reconcile (Loss) before tax to net cash flows:		
Depreciation and amortization expense	47,11,513	31,00,120
Unrealized foreign exchange loss/(gain)	(17,61,812)	41,112
Interest expenses	12,22,908	2,19,904
Interest income on bank deposits	(1,91,34,248)	(69,31,990)
Net gain on sale of current investments	(2,22,06,851)	(1,48,85,207)
Provision no longer required written back	-	(4,66,819)
Employee stock compensation expense (Refer note 30)	4,22,40,121	24,37,253
Loss on sale of property, plant and equipment	1,20,300	-
Provision for dimunition in value of investments	11,15,663	-
Provision for doubtful debts	29,77,639	9,25,242
Operating Profit/(Loss) before working capital changes	**30,59,42,260**	**(7,47,55,190)**
Movements in working capital :		
Increase in provisions	2,18,99,232	77,70,002
Increase in trade payables	58,43,99,282	18,18,78,047
Increase in other liabilities	6,55,55,862	1,73,75,494
(Increase) in loans and advances	(11,74,07,769)	(3,56,75,539)
(Increase) in trade receivables	(23,36,10,358)	(8,06,45,965)
(Increase) in inventories	(27,67,62,508)	(12,26,80,742)
Cash generated from operations	35,00,16,001	(10,67,33,893)
Direct taxes paid, net of refund	(6,28,45,045)	(3,97,513)
Net cash flow from/(used in) operating activities (A)	**28,71,70,956**	**(10,71,31,406)**
Cash flows from investing activities		
Interest income received	2,45,07,946	7,32,892
Redemption/(Investment) in fixed deposits, net	8,17,76,751	(22,37,66,700)
Investment in mutual funds	(74,98,63,707)	(1,34,34,59,381)
Redemption of mutual funds	44,77,27,430	40,19,04,263
Purchase of property, plant and equipment	(1,31,70,015)	(46,16,970)
Proceeds from sale of property, plant and equipment	6,05,822	-
Net cash flow (used in) investing activities (B)	**(20,84,15,773)**	**(1,16,92,05,896)**
Cash flows from financing activities		
Interest paid	(12,22,908)	(2,19,904)
Proceeds from issue of equity shares	8,95,347	3,81,584
Proceeds from issue of preference shares	-	1,29,02,84,028
(Repayments of)/Proceeds from short term borrowings	-	(5,25,417)
Net cash flow from financing activities (C)	**(3,27,561)**	**1,28,99,20,291**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**7,84,27,622**	**1,35,82,989**
Cash and cash equivalents at the beginning of the year	1,91,64,485	55,81,496
Cash and cash equivalents at the end of the year	**9,75,92,107**	**1,91,64,485**
Components of cash and cash equivalents		
Cash on hand	3,52,320	1,11,674
With banks:		
- on current accounts	9,72,39,787	1,90,52,811
Total cash and cash equivalents (note 15)	9,75,92,107	1,91,64,485

Summary of significant accounting policies 2.1

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

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Rajeev Kumar
Partner
Membership no.: 213803

Place: Bengaluru, India
Date: September 16, 2021

S.R. Batliboi & Associates LLP Bengaluru

For and on behalf of the Board of Directors of
Honasa Consumer Private Limited

For HONASA CONSUMER PVT. LTD.

Director

Varun Alagh
Director
DIN: 07597289

Place: New Delhi, India
Date: September 16, 2021

For HONASA CONSUMER PVT. LTD.

Director

Ghazal Alagh
Director
DIN: 07608292

Place: New Delhi, India
Date: September 16, 2021

1. Corporate Information

Honasa Consumer Private Limited ('the Company') was incorporated under the provisions of the Companies Act, 2013 ('the Act') on September 16, 2016 in New Delhi. The Company is engaged in the trading of variety of personal care products such as baby care, skin care, hair and other related products which are manufactured through third party contract manufacturers under the brand name of 'Mamaearth' and 'The Derma Co'.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014.

The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

2.1 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Any revision to accounting estimates is recognized prospectively.

(b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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(c) Depreciation on property, plant and equipment

Depreciation on property, plant and equipment is provided on the written down value method basis using the useful lives as below:

Property, plant and equipment	Useful lives (in years)
Office equipment	5
Plant & machinery	3 - 8
Furniture & fixtures	10
Computer & peripherals	3

Leasehold improvement is depreciated on the written down value method over the lease period of 3 years or estimated useful life whichever is less.

Management, based on technical estimates, believes that the above useful life will result in more appropriate presentation and will give a systematic basis of depreciation charge, representative of the time pattern in which the economic benefits will be derived from the use of these assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over the estimated useful economic life of 5 years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(e) Impairment of property, plant and equipment and intangible assets

The Company assesses at each reporting date whether there is an indication that property, plant and equipment or intangible asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

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(f) Leases

Where the Company is lessee

Finance lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset or the lease term.

Operating Lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(g) Revenue recognition

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

The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer at the time of delivery based on terms of the contract. The Company collects Goods and Services Tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue from sale of goods are accounted net of sales returns, trade discounts and other promotional discounts, if any.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

(h) Inventories

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

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(i) Foreign currency translation - Foreign currency transactions and balances

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

ii. Conversion - Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences - The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

(j) Retirement and other employee benefits

Retirement benefits in the form of Employee Provident Fund and Employee State Insurance are defined contribution schemes (collectively the 'Schemes'). The Company has no obligation, other than the contribution payable to the Schemes. The Company recognizes contribution payable to the Schemes as expenditure, when an employee renders the related service. The contribution paid in excess of amount due is recognized as an asset and the contribution due in excess of amount paid is recognized as a liability.

Gratuity is a defined benefit obligation and is provided for on the basis of an actuarial valuation using projected unit credit method, made at the end of each financial year. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method, made at the end of each financial year. Actuarial gains/losses are immediately taken to the statement of profit and loss. The Company presents the accumulated leave liability as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(k) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized.

(l) Earnings/(Loss) Per Share

Basic earnings/(Loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(m) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(n) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(o) Employee stock option

Employees of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions).

In accordance with the Guidance Note on Accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

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(p) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(q) Investments

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(r) Segment reporting

The Company's business activity falls within a single business segment i.e. business of trading of personal care products. Further, the Company's operations are predominantly in India and there are no significant operations outside of India. Hence, there are no material additional disclosures to be provided under Accounting Standard 17 - Segment Reporting, other than those already provided in the financial statements.

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Honasa Consumer Pvt. Ltd.

Honasa Consumer Private Limited
Notes to the financial statements for the year ended March 31, 2021
(All amounts in Indian Rupees, except as otherwise stated)

3. Share Capital

	March 31, 2021 (Rs)	March 31, 2020 (Rs)
Authorised share capital		
40,000 (March 31, 2020: 40,000) equity shares of Rs 10 each	4,00,000	4,00,000
580 (March 31, 2020: 580) equity shares of Rs 100 each	58,000	58,000
5,839 (March 31, 2020: 5,839) 0.001 % Class A non cumulative compulsorily convertible preference shares ('NCCCPS') of Rs 10 each	58,390	58,390
1,885 (March 31, 2020: 1,885) 0.001% Class B NCCCPS of Rs 10 each	18,850	18,850
4,845 (March 31, 2020: 4,845) 0.001% Class C NCCCPS of Rs 10 each	48,450	48,450
4,161 (March 31, 2020: 4,161) 0.001% Class D NCCCPS of Rs 10 each	41,610	41,610
	6,25,300	**6,25,300**
Issued, subscribed and fully paid-up shares		
10,225 (March 31, 2020: 10,207) equity shares of Rs 10 each	1,02,250	1,02,070
290 (March 31, 2020: 290) equity shares of Rs 100 each	29,000	29,000
581 (March 31, 2020: 581) 0.001 % Class A NCCCPS of Rs 10 each	5,810	5,810
1,885 (March 31, 2020: 1,885) 0.001% Class B NCCCPS of Rs 10 each	18,850	18,850
4,845 (March 31, 2020: 4,845) 0.001% Class C NCCCPS of Rs 10 each	48,450	48,450
4,161 (March 31, 2020: 4,161) 0.001% Class D NCCCPS of Rs 10 each	41,610	41,610
	2,45,970	**2,45,790**

(a) Reconciliation of share capital

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Equity shares of Rs 10/- each fully paid				
At the beginning of the year	10,207	1,02,070	10,200	1,02,000
Issued during the year	18	180	7	70
Outstanding at the end of the year	**10,225**	**1,02,250**	**10,207**	**1,02,070**

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Equity shares of Rs 100/- each fully paid				
At the beginning of the year	290	29,000	290	29,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	**290**	**29,000**	**290**	**29,000**

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Class A NCCCPS of Rs 10/- each fully paid				
At the beginning of the year	581	5,810	581	5,810
Issued during the year	-	-	-	-
Outstanding at the end of the year	**581**	**5,810**	**581**	**5,810**

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Class B NCCCPS of Rs 10/- each fully paid				
At the beginning of the year	1,885	18,850	1,885	18,850
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,885**	**18,850**	**1,885**	**18,850**

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Class C NCCCPS of Rs 10/- each fully paid				
At the beginning of the year	4,845	48,450	4,845	48,450
Issued during the year	-	-	-	-
Outstanding at the end of the year	**4,845**	**48,450**	**4,845**	**48,450**

	March 31, 2021		March 31, 2020	
	Number	(Rs)	Number	(Rs)
Class D NCCCPS of Rs 10/- each fully paid				
At the beginning of the year	4,161	41,610	-	-
Issued during the year	-	-	4,161	41,610
Outstanding at the end of the year	**4,161**	**41,610**	**4,161**	**41,610**

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Honasa Consumer Pvt. Ltd.

(b) Details of shareholders holding more than 5% shares in the Company

	March 31, 2021		March 31, 2020	
	Number	%	Number	%
Equity shares of Rs 10/- each fully paid				
Varun Alagh	8,514	82%	8,514	83%
Ghazal Alagh	788	8%	1,000	10%
Equity shares of Rs 100/- each fully paid				
Shilpa Shetty Kundra	290	100%	290	100%
Class A NCCCPS of Rs 10/- each fully paid				
Fireside Venture Trust	141	24%	254	44%
Suhail Sameer	116	20%	116	20%
SCI Investments VI	209	36%	186	32%
Sofina Ventures S.A.	64	11%	-	-
Class B NCCCPS of Rs 10/- each fully paid				
Fireside Ventures Investment Fund-I	199	10%	1,347	72%
Kunal Bahl	85	5%	269	14%
Rohit Kumar Bhansal	85	5%	269	14%
SCI Investments VI	454	24%	-	-
Sofina Ventures S.A.	1,062	56%	-	-
Class C NCCCPS of Rs 10/- each fully paid				
Fireside Ventures Investment Fund-I	1,780	37%	1,780	37%
Stellaris Venture Partners	1,764	36%	2,131	44%
Rishabh Mariwala	642	13%	734	15%
Sofina Ventures S.A.	252	5%	-	-
Class D NCCCPS of Rs 10/- each fully paid				
SCI Investments VI	3,346	80%	3,346	80%
Fireside Ventures Investment Fund-I	363	9%	363	9%
Stellaris Venture Partners	363	9%	363	9%

(c) Terms /rights attached to equity shares

The Company has two class of equity shares having par value of Rs 10/- per share and Rs.100/-per share.
- Equity share of Rs.10/- represents shares held by Promoters and Investors
- Equity share of Rs 100/- held by Shilpa Shetty Kundra

Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the shareholding percentage.

(d) Terms of conversion of preference shares

The Company has issued NCCCPS - Class A, B, C and D shares of Rs. 10 each fully paid-up. NCCCPS Class A, B, C and D shares carry a minimum preferential dividend @ 0.001% p.a proportionately for the period for which the shares are being held and it shall be paid in preference to any dividend or distribution payable upon shares of any other class. Each holder of NCCCPS Class A, B, C and D shares is entitled to vote at each meeting of the holders of the Equity shares to the extent of such proportion of the total voting rights, as they would have been entitled assuming full conversion of the NCCCPS Class A, B, C and D shares.

Each holder of NCCCPS Class A, B, C and D shares may convert the shares at the option of the holder into 1 equity share of the Company at the earlier of the following events:
1) Anytime at the option of the holder
2) Immediately upon the expiry of 20 years from the date of allotment; or
3) Qualified Initial Public Offering (IPO) as acceptable to the holder.

In the event of liquidation of the Company before conversion, the holder of NCCCPS Class A, B, C and D shares would be paid prior and in preference to any payment or distribution to equity share holders.

(e) Shares reserved for issue under options, warrants and in lieu of service rendered.

For details of shares reserved for issue against share warrants and under the employee stock option plan (ESOP) of the Company, refer note 25 and 30 respectively.

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Honasa Consumer Private Limited

Notes to the financial statements for the year ended March 31, 2021

(All amounts in Indian Rupees, except as otherwise stated)

4. Reserves and surplus	March 31, 2021 (Rs)	March 31, 2020 (Rs)
Securities premium account		
Balance as per the last financial statements	1,62,94,16,687	33,87,92,755
Add: Premium on issue of Class D NCCCPS	-	1,29,02,42,418
Add: Premium on issue of Rs.10/- per equity shares	13,13,275	3,81,514
Balance at the end of the year (i)	**1,63,07,29,962**	**1,62,94,16,687**
Surplus/Deficit in the statement of profit and loss		
Balance as per the last financial statements	(10,06,64,033)	(4,14,69,228)
Profit/(Loss) for the year	24,59,18,744	(5,91,94,805)
Net surplus/deficit in the statement of profit and loss (ii)	**14,52,54,711**	**(10,06,64,033)**
Employee stock option outstanding		
Balance as per the last financial statements	24,37,253	-
Add: Compensation expense for options granted during the year (Refer note 21)	4,22,40,121	24,37,253
Less: Transferred to securities premium on exercise of stock options	(4,18,108)	-
Balance at the end of the year (iii)	**4,42,59,266**	**24,37,253**
Total reserves and surplus [(iv) = (i) + (ii) + (iii)]	**1,82,02,43,939**	**1,53,11,89,907**

5. Long-term borrowings

	Non-current		Current maturities	
	March 31, 2021 (Rs)	March 31, 2020 (Rs)	March 31, 2021 (Rs)	March 31, 2020 (Rs)
Other loans and advances				
Finance lease obligations (unsecured)*	50,45,964	-	38,88,850	-
	50,45,964	-	**38,88,850**	-
The above amount includes				
Unsecured borrowings	50,45,964	-	38,88,850	-
Amount disclosed under the head "other current liabilities" (Note 6)	-	-	(38,88,850)	-
	50,45,964	-	-	-

*Finance lease obligation includes computer equiment taken on lease. The gross investment in leases, i.e lease obligation plus interest, is payable in 12 quarterly installments of approx. Rs 1,068,140 each including interest.

6. Other liabilities	Non-current		Current	
	March 31, 2021 (Rs)	March 31, 2020 (Rs)	March 31, 2021 (Rs)	March 31, 2020 (Rs)
Rent equalization reserve	11,75,067	-	7,85,676	-
Current maturities of long term borrowings (Note 5)	-	-	38,88,850	-
Statutory dues payable	-	-	2,56,30,790	87,56,248
Employee benefits payable*	-	-	4,51,52,939	1,07,21,841
Advance from customers	-	-	1,53,19,619	30,30,140
	11,75,067	-	**9,07,77,874**	**2,25,08,229**

*Employee benefits payable also includes expense payable to directors (Refer note 29).

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HONASA CONSUMER PVT. LTD.