

BALANCE CLINICS LLP				
BALANCE SHEET AS AT 31ST MARCH 2024				
Amount in Rs. 000				
Particulars		Notes	31 March 2024	31 March 2023
A	ASSETS			
1	Non-current assets			
	(a) Property, Plant & Equipment	4	1,475	1,142
	(b) Financial Assets			
	(i) Other Financial Asset	5	80	81
	Total Non - Current Assets		1,555	1,223
2	Current assets			
	(a) Inventories	6	1,162	817
	(b) Financial Assets			
	(i) Trade receivables	7	2,087	2,139
	(ii) Cash and cash equivalents	8	678	740
	(c) Other current assets	9	1,251	882
	Total Current Assets		5,178	4,577
	Total Assets		6,734	5,800
B	PARTNER'S FUND & LIABILITIES			
1	Partner's Funds			
	(a) Partners Contribution	10	1,000	1,000
	(b) Partners Current Account	11	(21,457)	(19,878)
	Total Partner's fund		(20,457)	(18,878)
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	330	-
	(b) Deferred tax liabilities (Net)	13	234	97
	Total Non - Current Liabilities		564	97
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	12	164	-
	(ii) Trade payables	14		
	(A) Total outstanding dues of Small Enterprises and Micro enterprises			
	(B) Total outstanding dues of creditors other than small enterprises and micro enterprises		10,001	8,551
	(iii) Other financial liabilities	15	64	36
	(b) Other current liabilities	16	16,399	15,993
	Total Current Liabilities		26,627	24,580
	Partner's fund and Liabilities		6,734	5,800

See accompanying notes to the financial statements

The accompanying notes are an integral part of the financial statements

In terms of our report attached
for T D JAIN AND D I SAKARIA
Chartered Accountants
Firm Registration No: 002491S

For and on behalf of the Balance Clinics LLP

Dhanpal I Sakaria
Partner
Membership No: 213666
UDIN: 24213666BKBZRG1574

Shailesh Siroya
Designated Partner
DIN: 00048109

R K Kothari
Designated Partner
DIN: 03418320

Place: Bengaluru
Date : 28 May 2024

Place: Bengaluru
Date : 28 May 2024

Place: Bengaluru
Date : 28 May 2024

BALANCE CLINICS LLP**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2024**

Particulars	Notes	Amount in Rs. 000	
		31 March 2024	31 March 2023
I Revenue from operations	17	5,484	6,044
II Other Income	18	18	5
III Total Income (I+II)		5,502	6,050
IV Expenses			
Purchase of Stock in trade	19	4,505	3,358
Changes in inventories of finished goods, stock in trade and work in progress	20	(345)	599
Employee benefits expense	21	150	419
Finance costs	22	22	1
Depreciation and amortization expense	23	223	158
Other expenses	24	2,390	2,255
Total Expenses (IV)		6,945	6,790
V Profit/(loss) before exceptional items and tax (I-IV)		(1,443)	(741)
VI Exceptional items		-	-
VII Profit/(loss) before tax		(1,443)	(741)
VIII Tax expenses			
Current tax		-	-
Deferred tax		137	(11)
Total tax expenses		137	(11)
IX Profit / (loss) for the period		(1,580)	(729)

See accompanying notes to the financial statements

The accompanying notes are an integral part of the financial statements

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BALANCE CLINICS LLP		
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024		
Amount in Rs. 000		
Particulars	31 March 2024	31 March 2023
A. Cash flows from operating activities		
Profit / (Loss) before tax	(1,443)	(741)
<u>Adjustments:</u>		
Depreciation and amortisation expenses	223	158
Finance costs	22	1
Operating cash flows before working capital changes	(1,198)	(582)
(Increase) / decrease in loans and advances	0.22	-
(Increase) / decrease in other assets	(369)	(42)
(Increase) / decrease in inventories	(345)	599
(Increase) / decrease in trade receivables	52	355
Increase / (decrease) in trade payables	1,450	(1,358)
Increase / (decrease) in liabilities and provisions	928	6
Cash generated from operations	517	(1,022)
Income tax paid	-	-
Net cash provided by operating activities (A)	517	(1,022)
B. Cash flows from investing activities		
Purchase of fixed assets	(556)	-
Net cash used in investing activities (B)	(556)	-
C. Cash flows from financing activities		
Finance costs	(22)	(1)
Net cash provided by financing activities (C)	(22)	(1)
Net increase in cash and cash equivalents (A+B+C)	(61)	(1,023)
Cash and cash equivalents at the beginning of the year	740	1,763
Cash and cash equivalents at the end of the year	678	740
Components of cash and cash equivalents		
Cash in hand	87	81
Balance with banks	591	659
Total Cash and cash equivalents	678	740
See accompanying notes to the financial statements		
The accompanying notes are an integral part of the financial statements		
1. The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31 March 2024 and the related Profit and Loss Account for the year ended on that date.		
2. The above Cash Flow Statement has been prepared by using the Indirect Method as per the Accounting Standard (AS) 3 - "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.		
3. Figures in brackets represent outflows.		
In terms of our report attached		
For T D JAIN AND D I SAKARIA	For and on behalf of the Balance Clinics LLP	
Chartered Accountants		
Firm Registration No: 002491S		
Dhanpal I Sakaria	Shailesh Siroya	R K Kothari
Partner	Designated Partner	Designated Partner
Membership No: 213666	DIN: 00048109	DIN: 03418320
UDIN: 24213666BKBZRG1574		
Place: Bengaluru	Place: Bengaluru	Place: Bengaluru
Date : 28 May 2024	Date : 28 May 2024	Date : 28 May 2024

Notes to Financial Statements for the year ended 31 March 2024

1 LLP Overview

Balance clinics LLP is a Limited Liability Partnership (LLP) registered under the LLP Act, 2008. It was formed on 15th May 2014, ensuring legal compliance and operational flexibility. The firm is primarily engaged in the business of Service provision, retail business, and online E-Commerce sales of OTC products

2 Basis for preparation of Financial Statements

2.01 Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 ('Ind AS'), read with relevant rules issued thereunder and other accounting principles generally accepted in India, and other relevant provisions of the Act.

The standalone financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The standalone financial statements were authorised for issue by the Designated Partners on 28th May, 2024.

2.02 Functional and presentation currency

These standalone financial statements are presented in Indian Rupees, which is the LLP's functional currency and the currency of the primary economic environment in which the LLP operates. All financial information presented in Indian Rupees has been rounded off to nearest thousands, unless otherwise indicated.

2.03 Basis of measurement

The standalone financial statements have been prepared on a historical cost basis and on an accrual basis except for the following:

- certain financial assets and financial liabilities that are measured at fair value (refer accounting policies regarding financial instrument).
- employee defined benefit assets / liability recognised as the net total of the fair value of plan assets, and actuarial losses/gains, and the present value of defined benefit obligation.

2.04 Amended standards adopted by the LLP

The Ministry of Corporate Affairs had wide notification dated March 31, 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective from April 1, 2023.

- Disclosure of accounting policies – Amendment to Ind AS 1 (Presentation of financial statements)
- Definition of accounting estimates -Amendments to Ind AS 8 (Accounting policies, changes in accounting estimates and errors.); and
- Deferred tax related to assets and liabilities arising from a single transaction- Amendments to Ind AS 12 (Income taxes.)

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect during the current or future periods.

2.05 Use of judgments, Assumptions and estimates

In preparing these standalone financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

These estimates are reviewed on an ongoing basis. Subsequent revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments in applying accounting policies that have the most significant effect on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 3.01 : whether the Company acts as an agent rather than as a principal in a transaction.
- Note 38.05 - contingent liabilities : measurement and likelihood of occurrence of provisions and contingencies
- Note 38.02 - leases : whether an arrangement contains a lease; lease classification

Notes to Financial Statements for the year ended 31 March 2024

Assumptions and estimations

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2024 or subsequent year/ years is included in the following notes:

- Note 38.01: Fair Value of Financial Instruments

2.06 Current vs Non-Current Classification

The LLP presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The LLP classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The LLP has identified twelve months as its operating cycle.

2.07 Measurement of fair values

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The management regularly reviews significant unobservable inputs and valuation adjustments.

Measurement of fair values

When measuring the fair value of an asset or a liability, the LLP uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Financial Instruments - Refer Note 28.01

BALANCE CLINICS LLP

Notes to Financial Statements for the year ended 31 March 2024

3 Material Accounting Policies

3.01 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The LLP has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

Sale of Goods:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the LLP expects to be entitled in exchange for those goods or services. In the LLP's case, the obligation of the LLP is said to be completed on movement of the goods from the factory gate. The LLP has generally concluded that it is the principal in its revenue arrangements, since it is the primary obligor in all of its revenue arrangement, as it has pricing latitude and is exposed to inventory and credit risks. Revenue is stated net of goods and service tax and net of returns, chargebacks, rebates and other similar allowances. These are calculated on the basis of historical experience and the specific terms in the individual contracts. In determining the transaction price, the LLP considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The LLP estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Other Operating revenue is recognised on accrual basis.

3.02 Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Trading Goods:

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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Place: Bengaluru
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BALANCE CLINICS LLP

Notes to Financial statements for the year ended 31 March 2024

All the amounts in Rs. Thousands unless otherwise stated

4 Property, Plant and Equipment

Particulars	ROU Asset	Plant & Machinery	Furniture & Fixtures	Office Equipments	Tangibles Total
Cost/ Deemed Cost					
Gross Carrying value As at 31st March 2023	-	1,449	817	267	2,533
Additions	556	-	-	-	556
Deductions	-	-	-	-	-
Other Adjustments	-	-	-	-	-
Gross Carrying value As at 31st March 2024	556	1,449	817	267	3,088
Accumulated depreciation value As at 31st March 2023	-	644	480	267	1,390
Depreciation Expense	77	68	78	-	223
Deductions	-	-	-	-	-
Accumulated depreciation value As at 31st March 2024	77	712	558	267	1,613
Net Book Value					
As at 31st March 2024	479	737	259	-	1,475
As at 31st March 2023	-	805	337	-	1,142

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

5 Other financial asset	31 March 2024	31 March 2023
Security Deposits - Considered good	71	81
Prepaid Lease asset	9	-
Total	80	81

6 Inventories	31 March 2024	31 March 2023
Stock in trade	1,162	817
Total	1,162	817

8 Cash and cash equivalents	31 March 2024	31 March 2023
Cash on hand	87	81
Balance with Bank	591	659
Total	678	740

9 Other current assets	31 March 2024	31 March 2023
Petty Cash Advance	-	4
Balances with statutory & Govt authorities	1,152	802
Other Current asset	99	75
Total	1,251	882

10 Partner's Contribution	31 March 2024	31 March 2023
Partner's Contribution		
Partner's Capital	1,000	1,000
	1,000	1,000

* The LLP does not have any authorised, issued and subscribed equity shares. Accordingly, disclosures relating to share capital are not applicable.

Capital Contribution per Partner

Particulars	31 March 2024		31 March 2023	
	%	Rs	%	Rs
Bal Pharma Ltd	80.0%	800	80.0%	800
Shailesh Siroya	20.0%	200	20.0%	200
Total		1,000		1,000

11 Partners Current Account	31 March 2024	31 March 2023
Retained Earnings	(19,878)	(19,148)
Add: Current Year P&L Loss	(1,580)	(729)
Total	(21,457)	(19,878)

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

12	Borrowings	31 March 2024		31 March 2023	
		Non Current	Current	Non Current	Current
	Borrowings	330	164	-	-
		330	164	-	-

13	Deferred tax liabilities (Net)	31 March 2024	31 March 2023
	Deferred tax Liability		
	Origination and reversal of temporary differences	234	97
	Total	234	97

15	Other financial liabilities	31 March 2024	31 March, 2023
	Creditor for expenses	64	36
	Total	64	36

16	Other current liabilities	31 March 2024	31 March, 2023
	Statutory liabilities	9	21
	Advance from Customers	5	4
	Advance payable in cash or kind		
	- Bal Pharma Ltd	15,302	15,223
	Others	1,083	745
	Total	16,399	15,993

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

7 Trade receivables	31 March 2024	31 March 2023
Secured, considered good		
<u>Less: Provision for doubtful receivables</u>	-	-
Unsecured, considered good- Drs	2,087	2,139
<u>Less: Provision for doubtful receivables</u>		
Total	2,087	2,139

Trade Receivable ageing schedule for FY 2023-24:

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,844	74	169	-	-	2,087
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	1,844	74	169	-	-	2,087

Trade Receivable ageing schedule for FY 2022-23:

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,056	19	2	-	1,062	2,139
(ii) Undisputed Trade receivables – credit impaired	-	-	-	-	-	-
(iii) Disputed Trade receivables – considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total	1,056	19	2	-	1,062	2,139

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

14 Trade Payables	31 March 2024	31 March 2023
Outstanding dues of micro enterprises and small enterprises (refer note 26 for details)		
Outstanding dues other than micro enterprises and small enterprises	10,001	8,551
Total	10,001	8,551

Trade Payable ageing schedule for FY 2023-24:

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	4,952	3,683	1,366	-	10,001
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
Total	4,952	3,683	1,366	-	10,001

Trade Payable ageing schedule for FY 2022-23:

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	3,652	1,592	2,910	398	8,551
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
Total	3,652	1,592	2,910	398	8,551

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

17	Revenue from operations	31 March 2024	31 March 2023
	Sale of Products	5,484	6,044
	Total	5,484	6,044

18	Other Income	31 March 2024	31 March 2023
	Interest on Income Tax Refund	2	5
	Interest income	1	-
	Provisions no longer written back	14	-
	Total	18	5

19	Purchase of Stock in Trade	31 March 2024	31 March 2023
	Purchase of Traded Goods	4,505	3,358
	Total	4,505	3,358

20	Changes in inventories of finished goods, stock in trade and work in progress	31 March 2024	31 March 2023
	Inventories at the end of the year		
	Finished goods	1,162	817
		1,162	817
	Inventories at the beginning of the year		
	Finished goods	817	1,416
		817	1,416
	Total	(345)	599

21	Employee benefits expense	31 March 2024	31 March 2023
	Salaries, wages and bonus	150	419
	Total	150	419

22	Finance costs	31 March 2024	31 March 2023
	Bank charges	3	1
	Interest Expense	19	-
	Total	22	1

BALANCE CLINICS LLP**Notes to Financial statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated**

23 Depreciation and amortization expense	31 March 2024	31 March 2023
Depreciation of property, plant and equipment	223	146
Amortisation of intangible assets	-	12
Total	223	158

24 Other expenses	31 March 2024	31 March 2023
Repairs & Maintenance:		
- Others R&M	52	7
Commission on Sales	1,228	1,214
Advertisement and selling Expenses	657	321
Traveling and conveyance Expenses	0.10	0.20
Electrical Charges	4	4
Rates and taxes	8	105
Printing & Stationery	2	0.40
Rent	96	159
Freight outward	309	400
Legal & Professional Charges	29	-
Other Expenses	6	44
Total	2,390	2,255

BALANCE CLINICS LLP**Notes to Financial Statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated****25 Disclosure with respect to Micro, Small and Medium Enterprises**

The management has been in the process of identifying enterprises which have provided goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the company, principal amount due to micro and small enterprises is Rs. Nil (31 March 2023: Rs. Nil). Further interest paid during the year and interest due at the end of the year to micro and small enterprises is Rs. Nil (31 March 2023: Rs.Nil). In the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

26 Leasing Arrangements

The company's significant leasing arrangements are in respect of operating leases for premises (office, stores, godowns, residential, guest houses, etc.) These are cancelable operating leases and these lease agreements are normally renewed on expiry.

27 Related Party Disclosures

Parent Company	A	Bal Pharma Limited
Enterprise over which the Managing Director of the Company exercises joint control with other directors	B	Lifezen Healthcare Private Limited

Particulars	Category	As at 31 March 2024	As at 31 March 2023
i) Details of P&L transactions			
Sales to			
Lifezen Healthcare Private Limited	B	460	-
Total		460	-
Purchase from			
Bal Pharma Limited	A	909	534
Lifezen Healthcare Private Limited	B	3,580	-
Total		4,489	534
ii) Amount outstanding as at the balance sheet date			
Trade Receivables			
Bal Pharma Limited	A	953	953
		953	953
Trade Payables			
Bal Pharma Limited	A	5,919	5,305
Lifezen Healthcare Private Limited	B	4,050	-
		9,969	5,305
Advances payable in Cash or Kind			
Bal Pharma Limited	A	15,302	15,223
		15,302	15,223

28 Balances of Trade Receivables, Trade Payables, loans and Advances, Receivables and Payables are subject to confirmations and reconciliations.

BALANCE CLINICS LLP**Notes to Financial Statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated****29. Ratio Analysis**

Particulars	Numerator/Denominator	31 March 2024	31 March 2023	Change in %
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.19	0.19	4.43%
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	-	-	
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	-	-	
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	8.03%	3.94%	103.85%
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	5.54	5.41	2.42%
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	2.60	2.61	-0.52%
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	0.49	0.36	33.49%
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Net Working Capital}}$	-0.26	-0.30	-15.38%
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	-28.80%	-12.07%	138.67%
(j) Return on Capital employed	$\frac{\text{Net Profit}}{\text{Capital Employed}}$	7.72%	3.86%	99.84%

Reasons for Variances

1. Variance in Return on equity ratio is due to negative average shareholder's equity and Loss incurred during the year.
2. Variance in Trade Payable turnover ratio is due to increase in purchases during the year.
3. Variance in Net Profit ratio is due to increase in cost of purchases and other expenditure.
4. Variance in Return on capital employed is due to negative net worth and loss incurred during the year.

BALANCE CLINICS LLP

Notes to Financial Statements for the year ended 31 March 2024

All the amounts in Rs. Thousands unless otherwise stated

30 Contingent Liabilities

Contingent liabilities not provided for: Rs. Nil (31 March 2023: Nil).

31 Registration of Charge

No charges or satisfaction is yet to be registered with registrar of companies beyond the statutory period.

32 Compliance with Number of Layers of Companies

The LLP has complied with the no. of layers prescribed u/s 2(87) read with the applicable rules.

33 Loans and Advances

The LLP has not advanced/loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of fund) to any other person(s) or entities. including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

34 CSR Expenditure

The LLP is not covered under section 135.

35 Other Statutory Information

35.1 The LLP does not have any Benami property, where any proceeding has been initiated or pending against the LLP for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder

35.2 The LLP does not have any transactions with companies struck off.

35.3 The LLP has not traded or invested in crypto currency or virtual currency during the financial year.

35.4 The LLP has not entered into any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

BALANCE CLINICS LLP**Notes to Financial Statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated****36 Financial Instruments**

Particulars	31 March 2024		31 March 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Loans	-	-	-	-
Trade Receivables	2,087	2,087	2,139	2,139
Cash and cash equivalents	678	678	740	740
Other financial assets	80	80	81	81
Total financial assets at amortised cost	2,846	2,846	2,959	2,959
Financial liabilities				
Measured at amortised cost				
Borrowings (Including current maturities)	494	494	-	-
Trade payables	10,001	10,001	8,551	8,551
Other financial liabilities	64	64	36	36
Total financial liabilities at amortised cost	10,559	10,559	8,587	8,587

37 Regrouping

Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

BALANCE CLINICS LLP

Notes to Financial Statements for the year ended 31 March 2024

All the amounts in Rs. Thousands unless otherwise stated

38 Other accounting Policies

38.01 Financial Instruments

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the LLP becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

A. Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the LLP changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the LLP may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the LLP may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

B. Financial assets: Business model assessment

The LLP makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the LLP's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the LLP's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

BALANCE CLINICS LLP**Notes to Financial Statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated****38.01 Financial Instruments (continued)****C. Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the LLP considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the LLP considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the LLP's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

D. Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

D.1 Financial assets: Subsequent measurement and gains and losses

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

E. Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition**A. Financial assets**

The LLP derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the LLP neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

BALANCE CLINICS LLP

Notes to Financial Statements for the year ended 31 March 2024

All the amounts in Rs. Thousands unless otherwise stated

38.01 Financial Instruments (continued)

If the LLP enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

B. Financial liabilities

The LLP derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The LLP also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the LLP currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

38.02 Leases

The LLP assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an identified asset, the LLP assesses whether

- a. the Contract involves the use of an identified asset
- b. the LLP has substantially all of the economic benefits from use of the asset through the period of lease
- c. the LLP has the right to direct the use of asset

The LLP determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the LLP is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the LLP is reasonably certain not to exercise that option. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

Leases as Lessor

Leases for which the LLP is a lessor is classified as a finance or operating lease. When ever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. The LLP recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the LLP is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the LLP applies the exemption described above, then it classifies the sub-lease as an operating lease

As at the date of commencement of the lease, the LLP recognises a right of use asset("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for the leases with a term of twelve month or less (short term leases) and low value leases. For these short term leases, the LLP recognises the lease payments as an operating expense on a straight line basis over the period of lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease and related prepaid amount plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses

ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

BALANCE CLINICS LLP

Notes to Financial Statements for the year ended 31 March 2024

All the amounts in Rs. Thousands unless otherwise stated

38.02 Leases (continued)

Leases as Lessor

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the market. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the LLP changes its assessment if whether it will exercise an extension or a termination option.

The Right-of-Use asset has been disclosed within the same line item as that within which the corresponding underlying asset would be presented. Where the Right-of-Use asset meets the definition of Investment Property such items has been presented in Balance sheet as Investment Property. Lease liability have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

38.03 Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

38.04 Income Tax

a. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The LLP's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities not recognised if the temporary differences arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit not the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the LLP is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interest are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the LLP expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

BALANCE CLINICS LLP**Notes to Financial Statements for the year ended 31 March 2024****All the amounts in Rs. Thousands unless otherwise stated****38.05 Provisions and Contingencies****a. Provisions**

Provisions are recognised when the LLP has a present obligation (legal or constructive) as a result of a 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. When the LLP expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

b. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the standalone financial statements but disclosed, where an inflow of economic benefit is probable.

38.06 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

38.07 Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit 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 operating, investing and financing activities of the LLP are segregated.

In terms of our report attached
for T D JAIN AND D I SAKARIA
Chartered Accountants
Firm Registration No: 002491S

For and on behalf of the Balance Clinics LLP

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Partner
Membership No: 213666
UDIN: 24213666BKBZRG1574

Shailesh Siroya
Designated Partner
DIN: 00048109

R K Kothari
Designated Partner
DIN: 03418320

Place: Bengaluru
Date : 28 May 2024