SANGHVI BEAUTY & SALON PRIVATE LIMITED
Balance Sheet as at March 31, 2023

In Rs. In Thousand

	Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	1	100.00	100.00
	(b) Reserves and surplus	2	-45,126.12	-54,208.17
2	**Non-current liabilities**			
	(a) Long-term provisions	3	233.67	160.15
3	**Current liabilities**			
	(a) Short-term borrowings	4	52,655.28	58,425.06
	(b) Trade payables	5		
	(i) Total Outstanding dues of Micro enterprises and small enterprises.			
	(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises		8,325.51	9,918.90
	(c) Other current liabilities	6	4,429.67	1,691.46
	(d) Short-term provisions	7	295.52	224.91
	TOTAL		**20,913.53**	**16,312.30**
II.	**ASSETS**			
	Non-current assets			
1	(a) Property, Plant and Equipment And Intangible Assets	8		
	(i) Property, Plant and Equipment		419.50	553.96
	(ii)Intangible assets		8.65	25.81
	(b) Long-term loans and advances	9	2,602.93	1,645.96
	(c) Other Non-current assets	10	199.62	188.02
2	**Current assets**			
	(a) Inventories	11	1,325.19	809.33
	(b) Trade receivables	12	6,491.64	7,321.25
	(c) Cash and cash equivalents	13	9,329.27	5,385.61
	(d) Short-term loans and advances	14	220.02	382.37
	(e) Other current assets	15	316.70	-
	TOTAL		**20,913.53**	**16,312.30**
	See accompanying Notes to The Financial Statements	22-30		

The accompanying notes form an integral part of The Financial Statements.

For B K Khare and Co.
Chartered Accountants
Firm Registration Number - 105102W

A·A·Mahadik

Amit Mahadik
Partner
M.No. 125657
Place - Pune
Date: 26th May, 2023

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

For and On behalf of Board of Directors
Sanghvi Beauty & Salon Pvt Ltd.

Darpan N Sanghvi
~~Managing~~ Director
DIN: 02912102
Place: Mumbai
Date: 26th May,23

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 26th May,23

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Profit and loss for the year ended March 31, 2023

In Rs. In Thousand

	Particulars	Note No	For the period ended March 31, 2023	For the period ended March 31, 2022
1	Revenue from operations	16	25,705.78	12,897.82
2	Other income	17	1,673.66	706.17
3	**Total Income (1+2)**		**27,379.44**	**13,603.99**
4	Expenses:			
	Cost of materials consumed	18	743.39	1,435.93
	Employee benefits expense	19	10,933.65	4,337.90
	Finance costs	20	215.33	146.09
	Depreciation and amortization expense	8	151.62	191.22
	Other expenses	21	4,700.31	5,916.65
5	**Total expenses**		**16,744.29**	**12,027.80**
6	**Profit / (Loss) before Exceptional & Extra Ordinary Iteams & Tax**		**10,635.15**	**1,576.20**
	Prior Period Items		-	-
6	**Profit / (Loss) before Tax (3-5)**		**10,635.15**	**1,576.20**
7	**Tax expense:**			
	(1) Current Tax/MAT		1,422.33	-
	(2) Deferred tax (DTL)		-	-
	(3) MAT Credit Entitlement		-	-
	(4) Taxes for Earlier Year		130.77	-
8	**Profit (Loss) for the period (6-7)**		**9,082.05**	**1,576.20**
9	Earnings per equity share:			
	(1) Basic		0.91	0.16
	(2) Diluted		0.91	0.16
	See accompanying Notes to The Financial Statements	22-30		

The notes are an integral part of these financial statements

For B K Khare and Co.
Chartered Accountants
Firm Registration Number - 105102W

A·A·Mahadik

Amit Mahadik
Partner
M.No. 125657
Place - Pune
Date: 26th May, 2023

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

For and On behalf of Board of Directors
Sanghvi Beauty & Salon Pvt Ltd.

Darpan N Sanghvi
Managing Director
DIN: 02912102
Place: Mumbai
Date: 26th May,23

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 26th May, 2023

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Cash Flow Statement For the year ended March 31, 2023

In Rs. In Thousand

	Particulars	For the period ended March 31, 2023	For the period ended March 31, 2022
A.	**Cash flow from Operating Activities**		
	Profit/Loss before Tax	**10,635.15**	**1,576.20**
	Adjustments for:		
	Depreciation & Amortisation Expenses	151.62	191.22
	Interest income	(11.60)	(11.65)
	Other income: Provision write back	(166.18)	-
	Operating profit before working capital changes	**10,608.98**	**1,755.77**
	Changes in:		
	Trade and Other Receivables	829.61	(760.26)
	Inventories	(515.86)	778.13
	Loans and Advances	200.19	422.86
	Other Current Assets	(328.30)	(11.65)
	Trade and Other Payables	1,455.14	(2,069.64)
	Cash generated from operations	**12,249.76**	**115.20**
	Less: Taxes paid net of refund	(2,547.91)	(193.38)
	Net Cash Flow from Operating Activities (A)	**9,701.84**	**(78.18)**
B.	**Cash flow from Investing Activities**		
	Interest Received	11.60	11.65
	Increase in Fixed Deposits	-	-
	Net Cash Flow from Investing Activities (B)	**11.60**	**11.65**
C.	**Cash flow from Financing Activities**		
	Change in Borrowings / (Repayment of borrowings)	(5,769.78)	3,813.28
	Premium on shares issued		
	Net Cash Flow From Financing Activities (C)	**(5,769.78)**	**3,813.28**
D	**Net increase/decrease in cash and cash equivalents** (A+B+C)	**3,943.66**	**3,746.75**
E	**Opening Balance of Cash and Cash Equivalents**	5,385.61	1,638.86
F	**Closing Balance of Cash and Cash Equivalents (D+E)**	**9,329.27**	**5,385.61**
	Compunants of Cash and Cash equivalents		
	Cash in Hand	11.91	13.98
	with Banks:		
	on current account	9,317.36	5,371.63
	on deposit account	-	-

The Significant Accounting Policies and Notes are an intergral part of these financial statements

For B K Khare and Co.
Chartered Accountants
Firm Registration Number - 105102W

A·A·Mahadik

Amit Mahadik
Partner
M.No. 125657
Place - Pune
Date: 26th May, 2023

B.K. KHARE & CO. Chartered Accountants

For and On behalf of Board of Directors
Sanghvi Beauty & Salon Pvt Ltd.

Darpan N Sanghvi
~~Managing~~ Director
DIN: 02912102
Place: Mumbai
Date: 26th May,23

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Notes to the Interim condensed Financial Statements

Note 1: Share capital

In Rs. In Thousand

Share Capital	March 31, 2023 Amount	March 31, 2022 Amount
Authorised		
10,000 Equity shares of 10 each with voting rights	100.00	100.00
Total	**100.00**	**100.00**
Issued ,Subscribed & Fully Paid up		
10,000 Equity shares of 10 each with voting rights	100.00	100.00
Total	**100.00**	**100.00**

Reconciliation of number of shares:-	As at March 31, 2023		As at March 31, 2022	
Particulars	Number	Amount	Number	Amount
Equity Share				
Shares outstanding at the beginning of the year	10,000	100.00	10,000	100.00
Add:-Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	**10,000**	**100.00**	**10,000**	**100.00**

d)Rights attached to shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. In the unlikely event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

SR NO	Name of Shareholder	As at March 31, 2023		As at March 31, 2022	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Promoter - Holding Company (Sanghvi Brands Ltd)	9,999	99.99%	9,999	99.99%
2	Mr Narendra Sanghvi	1	0.01%	1	0.01%
		10,000.000	**100%**	**10,000.000**	**100%**

Shares held by promoters at the end of the year As at March 31, 2023				% Change during the year
S.No.	Name of the Promoter	No. of Shares**	%of total shares**	
1	Sanghvi Brands Limited	9,999	99.99	No Change
2	Narendra Sanghvi	1	0.01	

** Details shall be given separately for each class of shares

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Notes to Financial Statements

Note 2: Reserves and surplus

In Rs. In Thousand

Particualrs	As at March 31, 2023 Amount	As at March 31, 2022 Amount
Balance at the end of the year	-	-
Opening balance	(54,208.17)	(55,784.37)
Add: Net Profit /(Loss) for the year	9,082.05	1,576.20
Closing balance	**(45,126.12)**	**(54,208.17)**
Foreign Currency Translation Reserve	-	-
Total	**(45,126.12)**	**(54,208.17)**

Note 3: Long Term Provisions

Particualrs	As at March 31, 2023 Amount	As at March 31, 2022 Amount
Provision for employee benefits		
Gratuity	160.12	129.66
Leave Encashment	73.55	30.49
Total	**233.67**	**160.15**

Note 4: Short-term borrowings

Particualrs	As at March 31, 2023 Amount	As at March 31, 2022 Amount
Loans & Advances from related party (Unsecured non-interest bearing) *		
Sanghvi Brands Ltd	52,655.28	58,425.06
Total	**52,655.00**	**58,425.00**

Note 5: Trade Payable

Trade payables due for payment **As at March 31, 2023**

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment#				Amount
	Less Than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,320.51	4,547.40	1,715.69	741.91	8,325.51
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Trade payables due for payment **As at March 31, 2022**

Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment#				Amount
	Less Than 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	7,394.65	1,826.00	669.40	28.85	9,918.90
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Unbilled dues shall be disclosed separately;

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

Note 6: Other Current Liabilities

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Statutory remittances	1,639.35	748.26
Advance From Others	201.51	173.56
Employee Payables	1,678.80	769.65
Deposit Received	910.00	-
Total	**4,429.67**	**1,691.46**

Note 7 : Short Term Provisions

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
(a) Provision for employee benefits		
Gratuity	274.87	216.62
Leave Encashment	20.65	8.30
(b) Others		
Provision for Expenses	-	-
Total	**295.52**	**224.91**

Note 9: Long Term Loans and Advances

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
GST Credit	489.46	527.31
Tax Deducted at Source (net of provisions)	2,113.47	1,118.66
Total	**2,602.93**	**1,645.96**

Note 10: Other Non-Current Assets

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Fixed Deposite with Original maturity of more than 12 months	199.62	188.02
Total	**199.62**	**188.02**

Note 11: Inventories

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Closing Inventory of Materials/Consumables	1,325.19	809.33
Total	**1,325.19**	**809.33**

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

Note 12: Trade Receivables

Trade Receivables ageing schedule **As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment#					**Total**
	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	2,716.77	12.07	-	-	7,860.33	10,589.17
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	(4,097.53)	(4,097.53)
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	2,716.77	12.07	-	-	3,762.80	6,491.64

Trade Receivables ageing schedule **As at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment#					**Total**
	Less Than 6 Months	6 Months - 1 Year	1-2 Years	2 - 3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	2,874.64	-	4,446.61	3,853.24	244.30	11,418.78
(ii) Undisputed Trade Receivables – considered doubtful	-	-	(4,097.53)	-	-	(4,097.53)
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	2,875	-	349	3,853	244.30	7,321.25

Note 13: Cash and cash equivalents

Particualrs	**As at March 31, 2023**	**As at March 31, 2022**
	Amount	**Amount**
Cash and cash equivalents		
(a) Cash on hand	11.91	13.98
(b) Bank Balances	9,317.36	5,371.63
Total	**9,329.27**	**5,385.61**

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

Note 14: Short-term loans and advances

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
a. Loans and advances		
Unsecured, considered good *		
Deposit	51.92	182.17
Advance to Suppliers	165.00	166.70
Staff advances	-	5.83
	3.11	27.67
Total	**220.02**	**382.37**

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Sanghvi Fitness Pvt Ltd	-	130.25
Sanghvi Beauty and Technologies Pvt. Ltd.	42.48	42.48
Darpan N. Sanghvi	9.44	9.44
Total	**51.92**	**182.17**

Note 15: Other current assets

Particualrs	As at March 31, 2023	As at March 31, 2022
	Amount	Amount
Interest accrued	-	-
Prepaid Expenses	316.70	-
Total	**316.70**	-

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PRIVATE LIMITED
Notes to Financial Statements

Note 16 : Revenue from operations — **In Rs. In Thousand**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Amount	Amount
Services	19,689.70	9,705.89
Technical Fees	4,820.00	3,108.95
Reimbursement from Expenses & Salaries	738.88	-
Manangement Fees	437.50	-
Sale of services (A)	**25,686.08**	**12,814.84**
Sale of products (B)	19.70	82.98
Total (A +B)	**25,705.78**	**12,897.82**

Note 17 : Other Income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Amount	Amount
Interest on Income tax refund	43.13	58.52
Interest income on Fixed Deposits	11.60	11.65
Sundry Credit Balances Appropriated	1,451.27	239.19
Foreign Exchange gain / (loss)	1.48	-
Other Income	166.18	396.81
Total	**1,673.66**	**706.17**

Note 18 : Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Amount	Amount
Opening Inventory	809.33	1,587.46
Add - Purchases		
Consumables	1,259.25	657.81
	1,259.25	**657.81**
Less - Closing Inventory	1,325.19	809.33
Total	**743.39**	**1,435.93**

Note 19: Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Amount	Amount
Salaries and incentives	9,324.27	3,694.16
Contributions to -		
(i) Provident fund	144.85	108.87
(ii) Gratuity fund contributions	129.10	(254.48)
(d) Leave Encashment	55.42	(95.52)
(h) Staff welfare expenses	1,280.01	884.87
Total	**10,933.65**	**4,337.90**

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

Note 20: Finance Costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Amount	Amount
Interest Expense	3.85	15.79
Bank Charges	211.48	130.30
Total	**215.33**	**146.09**

Note 21: Other Expenses

SR No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
		Amount	Amount
1	Electricity charges	180.55	1,310.38
2	Repairs to:		
3	- Plant & Machinery	-	4.86
4	- Others	8.00	0.13
5	Rates & Taxes	174.54	-
6	Auditors Remuneration (Ref Note 22)	165.00	150.00
7	Business Development & Sales Promotion	235.97	669.83
8	License Fees	273.33	347.65
9	Royalty	1,507.38	1,712.64
10	Legal & professinal Fees	855.50	1,068.60
11	Housekeeping expenses	170.18	81.28
12	Travelling and conveyance	711.21	65.72
13	Sundry Debit Balances W/off	-	168.36
14	Miscellaneous Expenses	141.14	171.60
15	Information Technology Cost	277.51	104.31
16	Income Tax Expenses	-	61.29
		-	-
Total		**4,700.31**	**5,916.65**

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PRIVATE LIMITED
Fixed Assets Schedule for the year ended March 31, 2023

Note 8 Fixed Assets Property, Plant and Equipment & Intangible Assets

In Rs. In Thousand

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance As On March 31, 2022	Additions/ (Disposals)	Balance As On March 31, 2023	Balance As On March 31, 2022	Depreciation charge for the period	Balance As On March 31, 2023	Net Balance As On March 31, 2023	Net Balance As On March 31, 2022
Property, Plant and Equipment								
Computers & Accessories	617.45	-	617.45	617.45	-	617.45	-	-
Futnitures & Fittings	1,048.54	-	1,048.54	541.55	97.56	639.11	409.43	506.99
Office Equipments	704.88	-	704.88	657.91	36.90	694.81	10.07	46.97
Vehicles	2,866.96	-	2,866.96	2,866.96	-	2,866.96	-	-
					-			
Total	**5,237.83**	-	**5,237.83**	**4,684.87**	**134.45**	**4,819.33**	**419.50**	**553.96**
Intangible Assets								
Software	223.80	-	223.80	197.99	17.16	215.15	8.65	25.81
Total	**223.80**	-	**223.80**	**197.99**	**17.16**	**215.15**	**8.65**	**25.81**
Grand Total	**5,461.63**	-	**5,461.63**	**4,882.86**	**151.62**	**5,034.47**	**428.16**	**579.77**

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PVT LTD

Notes to the Financial Statements for the year ended 31 March 2023

22. SIGNIFICANT ACCOUNTING POLICIES:

a) Company overview

Sanghvi Beauty and Salon Private Limited is a private limited company domiciled in India and incorporated on 13th December, 2011 under the provisions of Companies Act, 1956. The Company is in the business of operating Salons for wellness and beauty treatments. The Company has its registered office at Shivajinagar, Pune.

b) Basis of preparation of financial statements

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles ("GAAP") in India under the historical cost convention on an accrual basis, and are in conformity with mandatory accounting standards, as prescribed under Section133 of the Companies Act, 2013('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or to a revision an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

c) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon Management's best knowledge of current events and actions, actual results could differ from these estimates.

d) 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.

Service income is recognized net of duties and taxes, as and when services are rendered.

Revenue in respect of Technical fees is recognised as the related services are performed.

As per agreement entered by the Company with Franchisees, the Company is obliged to refund technical fees received in case of termination of its licensing arrangement with the licensors of the brand within a specified period which ranges from 1 to 2 years. As per management, refund of technical fees is not likely.

e) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, less accumulated depreciation until the date of the balance sheet and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Such costs include taxes, duties, freight and incidental expenses relating to the acquisition and installation of Property, Plant and Equipment. Cost also includes the interest paid/ payable during the period of construction in respect of borrowed funds pertaining to construction/ acquisition of qualifying Property, Plant and Equipment.

B.K. KHARE & CO. Chartered Accountants

SANGHVI BEAUTY & SALON PVT. LTD. 105/2, Shivajinagar, Pune-411005

SANGHVI BEAUTY & SALON PVT LTD

Notes to the Financial Statements for the year ended 31 March 2023

f) Depreciation and Amortization

Depreciation on Property, Plant and Equipment is provided on the Straight line Method (SLM) over the useful lives of assets as prescribed in Schedule –II of the Companies Act 2013. Depreciation for assets purchased / sold during a period is proportionately charged. Intangible assets are amortized on SLM basis over their estimated useful life.

g) Current Assets, loans & advances

Current Assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business.

h) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Income Tax

Tax expense comprises of current and deferred. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and Accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized 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.

j) Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are

determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

k) Earnings per Share

Basic earnings 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.

B.K. KHARE & CO. Chartered Accountants

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Notes to the Financial Statements for the year ended 31 March 2023

22. Auditor's Remuneration

Particulars	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
Statutory Audit Fees	110.00	110.00
Tax audit Fees	55.00	40.00
Total	**165.00**	**150.00**

23. Related Party Disclosure:

Names of related party and nature of relationship

Relationship	Name of the Party
Key Managerial Personnel	Mr. Darpan Sanghvi
Relative of Key Managerial Personnel	Mr Narendra R Sanghvi
Holding Company	Sanghvi Brands Ltd
Fellow Subsidiary	Sanghvi Fitness Pvt Ltd. Sanghvi Brands Beauty and Spa LLC Sanghvi Brands SL Pvt Ltd Sanghvi Brands US Holding Inc
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Sanghvi Beauty & Technologies Pvt Ltd
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Sanghvi Lifestyle Products Pvt Ltd

Transaction with related parties

	Particulars	Nature of Transaction	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
1.	Sanghvi Brands Ltd	Loan Taken	759.90	6,627.76
		Repayment of Loan	6,529.68	2,814.48
2.	Sanghvi Fitness Pvt Ltd	Repayment of loan given	402.46	-
		Loan Given	272.21	103.45
3.	Sanghvi Lifestyle Products Pvt Ltd	Sale of Goods	33.25	-
		Receipt for Sales	25.83	0.93

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Notes to the Financial Statements for the year ended 31 March 2023

Closing Balances with related parties [Receivable/ (Payable)]

Particulars		Relationship	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
1.	Mr Darpan Sanghvi	Key Managerial Personnel	9.44	9.44
2.	Sanghvi Brands Ltd	Holding Company	(52,655.28)	(58,425.06)
3.	Sanghvi Fitness Pvt Ltd	Fellow Subsidiary	-	130.25
4.	Sanghvi Lifestyle Products Pvt Ltd	Enterprises over which Key Managerial Personnel	3,786.05	3,778.63
5.	Sanghvi Beauty & Technologies Pvt Ltd	are able to exercise significant influence	42.48	42.48

24. Earnings per Share

Sr. No.	Particulars	31.03.2023 (Rs. In Thousand)	31.03.2022 (Rs. In Thousand)
a.	Profit/(Loss) for the year	9,082.05	1,576.20
	Weighted Average no. of Equity Shares	10,000	10,000
	Basic EPS (a/b)	**0.91**	**0.16**

25. Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

26. Retirement Benefits

A. GRATUITY

I. Assumptions:

Particulars	As on 31st March, 2023	As on 31st March, 2022
Discount Rate	7.40%	7.00%
Rate of Increase in Compensation Level	4%	4%
Expected Average remaining working lives of employees (years)	9.24	9.37

II. Table Showing Changes in Present Value of Obligations

Particulars	As on 31st March, 2023 (Rs. In Thousand)	As on 31st March, 2022 (Rs. In Thousand)
Present Value of Obligation as at the beginning of the year 01.04.2022	346.27	600.75
Acquisition adjustment	-	-

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Notes to the Financial Statements for the year ended 31 March 2023

Transfer In / (Out)	-	-
Interest Cost	22.83	37.84
Past Service Cost	-	-
Current Service Cost	150.19	229.05
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Benefits paid	(40.39)	-
Actuarial (gain)/ loss on obligations	(43.91)	(521.37)
Present Value of Obligation as at the end of the year	434.99	346.27

III. Actuarial Gain/(Loss) Recognized

Particulars	As on 31st March, 2023 (Rs. In Thousand)	As on 31st March, 2022 (Rs. In Thousand)
Actuarial gain/(loss) for the year – Obligation	(43.91)	(521.37)
Actuarial (gain)/loss for the year - Plan Assets	-	-
Total (gain) / loss for the year	(43.91)	(521.37)
Actuarial (gain) / loss recognized in the year	(43.91)	(521.37)
Unrecognized actuarial (gains) / losses at the end of year	-	-

IV. The Amounts to be recognized in Balance Sheet

Particulars	As on 31st March, 2023	As on 31st March, 2022
Present Value of Obligation as at the end of the year	434.99	346.27
Fair Value of Plan Assets as at the end of the year	-	-
Funded Status as at the end of the period	(434.99)	(346.27)
- Current Liability	274.87	216.62
- Non-Current liability	160.12	129.66
Unrecognized Actuarial (gain)/loss at the end of the period	-	-
Net Asset / (Liability) Recognized in Balance Sheet	**(434.99)**	**(346.27)**

V. The Amounts to be recognized in Profit and Loss Account

Particulars	As on 31st March, 2023	As on 31st March, 2022
Current Service Cost	150.19	229.05
Acquisition (Gain)/Loss		
Past Service Cost		
Interest cost	22.83	37.84
Expected return on plan Asset		
Curtailment of (Gain)/Loss		

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Notes to the Financial Statements for the year ended 31 March 2023

Settlement of (Gain)/Loss		
Transfer In / (Out)	-	-
Actuarial (Gain)/Loss recognized in the period	(43.91)	(521.37)
Expenses recognized in P&L at the end of the period	129.11	(254.48)

VI. Reconciliation of Net Assets/(Liability) Recognized

Particulars	As on 31st March, 2023	As on 31st March, 2022
Net Assets/(Liability) recognized at the beginning of the period	(346.27)	(600.75)
Benefits paid by Company	40.39	-
Expenses recognized at the end of period	(129.11)	254.48
Net Asset/(Liability) recognized at the end of the period	(434.99)	(346.27)

27. (A) The business of the Company for previous period was impacted due to outbreak of Covid 19. During the current year the company witnessed good recovery in the business aided by leisure travel and gradual pickup in the business segment. Management has secured cash reserve to enable the Company to meet its obligations as they fall due and for its operational need. The Company has assessed future projections and based on estimates, expects to recover the carrying amount of these assets. Even though material uncertainty about going concern exists, considering various mitigating factors, the management does not see any risks in the ability to continue as a going concern and meeting its liabilities as and when payable. Accordingly, financials have been prepared on going concern basis.

(B) Trade receivables and trade payables are subject to confirmation from and reconciliation with counterparties. Management does not expect any impact of such procedures on stated balances as at the year-end.

28. Expenses in Foreign Currency (on accrual basis)

Particulars	**31.03.2023 (Rs. In Thousand)**	**31.03.2022 (Rs. In Thousand)**
Royalty payment to Warren Tricomi	737.77	419.12
Royalty & License Fees to Hachette Filipacchi Presse	769.61	1,293.52

29. Additional Regulatory Information

(i) Following Ratios to be disclosed: -

Ratio	Numerator	Denominator	31st March 2023	31st March 2022	% Variance	Reason for Variance
Current ratio	Current assets	Current liabilities	0.27	0.20	0.36	
Debt-equity ratio	Total debt	Shareholder's Equity	(1.17)	(1.08)	(0.08)	Due to increase in profit
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	(0.18)	(0.03)	5.38	Due to increase in profit

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Notes to the Financial Statements for the year ended 31 March 2023

Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	24.09	10.76	1.23	Due to increase in turnover
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	3.72	1.86	1.003	Due to better collection efforts
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.14	0.09	0.45	Due to increase in turnover
Net capital turnover ratio	Net Sales	Working Capital	(0.54)	(0.23)	1.33	
Net profit ratio	Net Profit	Net Sales	0.35	0.12	1.89	Due to increase in profit
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.24)	(0.03)	7.04	Due to increase in turnover

30. The Previous year figures are rearranged/ regrouped wherever necessary.

As per our attached report on even date

For B K Khare and Co.
Chartered Accountants
Firm Registration Number - 105102W

A·A·Mahadik

Amit Mahadik
Partner
M.No. 125657
Place: Pune
Date: 26th May 2023

For and On behalf of Board of Directors of
SANGHVI BEAUTY & SALON PVT LTD

Darpan N Sanghvi
~~Managing~~ Director
DIN: 02912102
Place: Mumbai
Date:26th May 2023

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 26th May 2023