SANGHVI BEAUTY & SALON PRIVATE LIMITED

Balance Sheet as at March 31, 2024

In Rs. In Thousand

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
I.	**EQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	1	100.00	100.00
	(b) Reserves and surplus	2	-41,483.46	-45,126.11
2	**Non-current liabilities**			
	(c) Long-term provisions	3	843.75	233.67
3	**Current liabilities**			
	(a) Short-term borrowings	4	51,825.62	52,655.28
	(b) Trade payables	5		
	(i) Total Outstanding dues of Micro enterprises and small enterprises.		30.00	-
	(ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises		3,175.39	8,325.51
	(c) Other current liabilities	6	4,202.61	4,429.67
	(d) Short-term provisions	7	411.91	295.52
	TOTAL		**19,105.81**	**20,913.53**
II.	**ASSETS** -			
	Non-current assets			
1	(a) Property, Plant and Equipment And Intangible Assets	8		
	(i) Property, Plant and Equipment		312.42	419.50
	(ii)Intangible assets		1.98	8.65
	(c) Long-term loans and advances	9	1,724.11	2,602.93
	(d) Other Non-current assets	10	211.95	199.62
2	**Current assets**			
	(a) Inventories	11	1,025.84	1,325.19
	(b) Trade receivables	12	6,938.78	6,491.64
	(c) Cash and cash equivalents	13	8,080.44	9,329.27
	(d) Short-term loans and advances	14	373.61	220.03
	(e) Other current assets	15	436.68	316.70
	TOTAL		**19,105.81**	**20,913.53**
	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

B.K. KHARE & CO. Chartered Accountants

Amit Mahadik
Partner
M.No. 125657
Place - Pune
Date: 27 May, 2024

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
Director
DIN: 02912102
Place: Mumbai
Date: 27 May, 2024

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 27 May, 2024

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Profit and loss for the year ended March 31, 2024

In Rs. In Thousand

	Particulars	Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Revenue from operations	16	31,902.28	25,705.78
2	Other income	17	5,411.06	1,673.66
3	**Total Income (1+2)**		**37,313.34**	**27,379.44**
4	Expenses:			
	Cost of materials consumed	18	1,892.20	743.39
	Employee benefits expense	19	23,886.62	10,933.64
	Finance costs	20	27.49	215.32
	Depreciation and amortization expense	8	113.76	151.62
	Other expenses	21	7,056.93	4,700.31
5	**Total expenses**		**32,977.00**	**16,744.28**
6	**Profit / (Loss) before Exceptional & Extra Ordinary Iteams & Tax**		**4,336.34**	**10,635.16**
	Prior Period Items		-	-
6	**Profit / (Loss) before Tax (3-5)**		**4,336.34**	**10,635.16**
7	**Tax expense:**			
	(1) Current Tax/MAT		693.69	1,422.33
	(2) Deferred tax (DTL)		-	-
	(3) MAT Credit Entitlement		-	-
	Less:- Minority Interest		-	130.77
8	**Profit (Loss) for the period (6-7)**		**3,642.65**	**9,082.06**
9	Earnings per equity share:			
	(1) Basic(Rs)		364.27	908.21
	(2) Diluted(Rs)		364.27	908.21
	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: 27 May, 2024

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
Director
DIN: 02912102
Place: Mumbai
Date: 27 May, 2024

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 27 May, 2024

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Cash Flow Statement For the year ended March 31, 2024

In Rs. In Thousand

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flow from Operating Activities**		
	Profit/Loss before Tax	**4,336.34**	**10,635.16**
	Adjustments for:		
	Depreciation & Amortisation Expenses	113.76	151.62
	Unrealized Foreign exchange Gain		
	Sundry Credit Balances Appropriated	(5,221.47)	
	Interest income	(12.33)	(11.60)
	Other income	(145.97)	(166.18)
	Sundry debit balance write off	898.66	-
	Operating profit before working capital changes	**(31.01)**	**10,609.00**
	Changes in:		
	Trade and Other Receivables	(1,345.80)	4,682.84
	Inventories	299.35	(515.86)
	Loans and Advances	205.72	200.19
	Long term loans and advances	-	-
	Other Current Assets	(132.32)	(328.30)
	Trade and Other Payables	746.73	1,455.14
	Cash generated from operations	**(257.34)**	**16,103.01**
	Less: Taxes paid net of refund	(174.17)	(2,547.91)
	Net Cash Flow from Operating Activities (A)	**(431.51)**	**13,555.09**
B.	**Cash flow from Investing Activities**		
	Interest Received	12.33	11.60
	Increase in Fixed Deposits	-	-
	Net Cash Flow from Investing Activities (B)	**12.33**	**11.60**
C.	**Cash flow from Financing Activities**		
	Change in Borrowings / (Repayment of borrowings)	(829.66)	(5,769.78)
	Premium on shares issued		
	Net Cash Flow From Financing Activities (C)	**(829.66)**	**(5,769.78)**
D	**Net increase/decrease in cash and cash equivalents** (A+B+C)	**(1,248.84)**	**7,796.91**
E	**Opening Balance of Cash and Cash Equivalents**	**9,329.28**	**1,532.37**
F	**Closing Balance of Cash and Cash Equivalents (D+E)**	**8,080.44**	**9,329.28**
	Compunants of Cash and Cash equivalents		
	Cash in Hand	-	11.91
	with Banks:		
	on current account	8,080.44	9,317.36
	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: 27 May, 2024

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
Director
DIN: 02912102
Place: Mumbai
Date: 27 May, 2024

Narendra R Sanghvi
Director
DIN: 02912085
Place: Mumbai
Date: 27 May, 2024

SANGHVI BEAUTY & SALON PRIVATE LIMITED

Notes to the Financial Statements

Note: 1 Share capital — In Rs. In Thousand

Share Capital	March 31, 2024 Amount	March 31, 2023 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, 2024		As at March 31, 2023	
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.

e) Details of Shareholders holding more than 5% of shares in the Company

SR NO	Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
		No. of Shares held	**% of Holding**	**No. of Shares held**	**% of Holding**
1	Promoter - Holding Company (Sanghvi Brands Pvt Ltd)	9,999	99.99%	9,999	99.99%
2	Mr Narendra Sanghvi	1	0.01%	1	0.01%
		10,000	**100%**	**10,000**	**100%**

Shares held by promoters at the end of the year as at March 31, 2024				% 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

A
Blu

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, 2024 Amount	As at March 31, 2023 Amount
Opening balance	(45,126.11)	(54,208.17)
Add: Net Profit /(Loss) for the year	3,642.65	9,082.06
Closing balance	**(41,483.46)**	**(45,126.11)**
Total	**(41,483.46)**	**(45,126.11)**

Note: 3 Long Term Provisions

Particualrs	As at March 31, 2024 Amount	As at March 31, 2023 Amount
Provision for employee benefits		
Gratuity	636.80	160.12
Leave Encashment	206.95	73.55
Total	**843.75**	**233.67**

Note: 4 Short-term borrowings

Particualrs	As at March 31, 2024 Amount	As at March 31, 2023 Amount
Loans & Advances from related party (Unsecured non-interest bearing) *		
Sanghvi Brands Ltd	51,825.62	52,655.28
Total	**51,825.62**	**52,655.28**

Note: 5 Trade Payable

Trade payables due for payment **As at March 31, 2024**

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	30.00	-	-	-		30.00
(ii) Others	841.17	18.55	28.17	2,287.50		3,175.39
(iii) Disputed dues – MSME	-	-	-	-		-
(iv) Disputed dues - Others	-	-	-	-		-

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	5,844.19	23.72	1,715.69	741.91		8,325.51
(iii) Disputed dues – MSME	-	-	-	-		-
(iv) Disputed dues - Others	-	-	-	-		-

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, 2024	As at March 31, 2023
	Amount	Amount
Statutory remittances	1,265.19	1,639.35
Advance From Others	173.55	201.51
Employee Payables	1,853.87	1,678.80
Deposit Received	910.00	910.00
Total	4,202.61	4,429.67

Note: 7 Short Term Provisions

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
(a) Provision for employee benefits		
Gratuity	353.31	274.87
Leave Encashment	58.60	20.65
Total	411.91	295.52

Note : 9 Long Term Loans and Advances

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
GST Credit	130.16	489.46
Tax Deducted at Source (net of provisions)	1,593.95	2,113.47
Total	1,724.11	2,602.93

Note: 10 Other Non-Current Assets

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
Fixed Deposite with Original maturity of more than 12 months	211.95	199.62
Total	211.95	199.62

Note: 11 Inventories

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
Closing Inventory of Materials/Consumables	1,025.84	1,325.19
Total	1,025.84	1,325.19

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, 2024**

Particulars	Outstanding for following periods fromdue 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	3,060.12	92.61	33.25	-	3,752.80	6,938.78
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
TOTAL	3,060.12	92.61	33.25	-	3,752.80	6,938.78

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

Particulars	Outstanding for following periods fromdue 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

Note: 13 Cash and cash equivalents

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
Cash and cash equivalents		
(a) Cash on hand	-	11.91
(b) Bank Balances	8,080.44	9,317.36
Total	**8,080.44**	**9,329.27**

Note:14 Short-term loans and advances

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
a. Loans and advances		
Unsecured, considered good *	107.48	51.92
Deposit	244.00	165.00
Advance to Suppliers	2.10	-
Staff advances	20.03	3.11
Total	**373.61**	**220.03**

*** Short-term loans and advances given to related parties**

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
Sanghvi Fitness Pvt Ltd	65.00	-
Sanghvi Beauty and Technologies Pvt. Ltd.	42.48	42.48
Darpan N. Sanghvi	-	9.44
Total	**107.48**	**51.92**

Note 15 Other current assets

Particualrs	As at March 31, 2024	As at March 31, 2023
	Amount	Amount
Prepaid Expenses	436.68	316.70
Total	**436.68**	**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, 2024	For the year ended March 31, 2023
	Amount	Amount
Services	24,372.79	19,689.70
Technical Fees	2,600.00	4,820.00
Reimbursement from Expenses & Salaries	3,429.49	738.88
Manangement Fees	1,500.00	437.50
Sale of services (A)	**31,902.28**	**25,686.08**
Sale of products (B)	-	19.70
Total (A +B)	**31,902.28**	**25,705.78**

Note 17 Other Income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Amount	Amount
Interest on Income tax refund	24.76	43.13
Interest income on Fixed Deposits	12.33	11.60
Sundry Credit Balances Appropriated	5,221.47	1,451.27
Foreign Exchange gain / (loss)	6.53	1.48
Other Income	145.97	166.18
Total	**5,411.06**	**1,673.66**

Note 18 Cost of materials consumed

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Amount	Amount
Opening Inventory	1,325.19	809.33
Add - Purchases		
Consumables	1,592.85	1,259.25
	1,592.85	**1,259.25**
Less - Closing Inventory	1,025.85	1,325.19
Total	**1,892.20**	**743.39**

Note 19 Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Amount	Amount
Salaries and incentives	20,934.89	9,324.27
Contributions to -		
(i) Provident fund and other Funds	481.75	144.85
(ii) Gratuity fund contributions	280.17	129.10
(d) Leave Encashment	41.44	55.41
(h) Staff welfare expenses	2,148.37	1,280.01
Total	**23,886.62**	**10,933.64**

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, 2024	For the year ended March 31, 2023
	Amount	Amount
Interest Expense	-	3.84
Bank Charges	27.49	211.48
Total	**27.49**	**215.32**

Note 21 Other Expenses

SR No	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
		Amount	Amount
1	Electricity charges	192.78	180.55
2	Repairs to:		
3	- Plant & Machinery	3.50	-
4	- Others	13.15	8.00
5	Rates & Taxes	7.11	174.54
6	Auditors Remuneration (Ref Note 22)	200.00	165.00
7	Business Development & Sales Promotion	275.71	235.97
8	License Fees	709.84	273.33
9	Royalty	2,033.14	1,507.38
10	Legal & professinal Fees	1,166.50	855.50
11	Housekeeping expenses	212.59	170.18
12	Travelling and conveyance	597.68	711.21
13	Sundry Debit Balances W/off	898.66	-
14	Miscellaneous Expenses	291.62	141.14
15	Information Technology Cost	454.65	277.51
Total		**7,056.93**	**4,700.31**

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, 2024

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, 2023	Additions/ (Disposals)	Balance As On March 31, 2024	Balance As On March 31, 2023	Depreciation charge for the period	Balance As On March 31, 2024	Net Balance As On March 31, 2024	Net Balance As On March 31, 2023
Property, Plant and Equipment								
Computers & Accessories	617.45	-	617.45	617.45	-	617.45	0.00	0.00
Futnitures & Fittings	1,048.54	-	1,048.54	639.11	98.97	738.08	310.46	409.43
Office Equipments	704.89	-	704.89	694.81	8.12	702.93	1.96	10.08
Vehicles	2,866.96	-	2,866.96	2,866.96	-	2,866.96	-	0.00
					-			
Total	**5,237.84**	-	**5,237.84**	**4,819.33**	**107.09**	**4,925.42**	**312.42**	**419.51**
Intangible Assets								
Software	223.80	-	223.80	215.15	6.67	221.82	1.98	8.65
Total	**223.80**	-	**223.80**	**215.15**	**6.67**	**221.82**	**1.98**	**8.65**
Grand Total	**5,461.64**	-	**5,461.64**	**5,034.47**	**113.76**	**5,147.23**	**314.41**	**428.16**

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 2024

22. SIGNIFICANT ACCOUNTING POLICIES:

a) Company overview

Sanghvi Beauty and Salon Private Limited is a private limited company domiciled in India and incorporated on 13 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 2024

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.

22. Auditor's Remuneration

Particulars	31.03.2024 (Rs. In Thousand)	31.03.2023 (Rs. In Thousand)
Statutory Audit Fees	155.00	110.00
Tax audit Fees	45.00	55.00
Total	**200.00**	**165.00**

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 2024

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 SL Pvt Ltd
Enterprises over which Key Managerial Personnel are able to exercise significant influence	Sanghvi Beauty & Technologies Pvt Ltd Sanghvi Lifestyle Products Pvt Ltd

Transaction with related parties

Particulars	Nature of Transaction	31.03.2024	31.03.2023
		(Rs. In Thousand)	(Rs. In Thousand)
1. Sanghvi Brands Ltd	Loan Taken	3,385.12	759.90
	Repayment of Loan	4,214.77	6,529.68
2. Sanghvi Fitness Pvt Ltd	Repayment of loan given	255.50	402.46
	Loan Given	320.50	272.21
3. Sanghvi Lifestyle Products Pvt Ltd	Sale of Goods	-	33.25
	Receipt for Sales	-	25.83
	Advances given	32.00	-

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

Particulars		Relationship	31.03.2024	31.03.2023
			(Rs. In Thousand)	(Rs. In Thousand)
1.	Mr Darpan Sanghvi	Key Managerial Personnel	-	9.44
2.	Sanghvi Brands Ltd	Holding Company	(51,825.62)	(52,655.28)
3.	Sanghvi Fitness Pvt Ltd	Fellow Subsidiary	65.00	-
4.	Sanghvi Lifestyle Products Pvt Ltd	Enterprises over which Key Managerial Personnel are able to exercise significant influence significant influence	3,818.05	3,786.05
5.	Sanghvi Beauty & Technologies Pvt Ltd		42.48	42.48

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

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Notes to the Financial Statements for the year ended 31 March 2024

24. Earnings per Share

Sr. No.	Particulars	31.03.2024 (Rs. In Thousand)	31.03.2023 (Rs. In Thousand)
a.	Profit/(Loss) for the year	3,642.65	9,082.05
	Weighted Average no. of Equity Shares	10,000	10,000
	Basic EPS (a/b) (Rs)	**364.27**	**908.21**

25. Disclosure required under section 22 of Micro, Small and Medium Enterprise Development Act

(Rs. in '000's)

PARTICULARS	As at 31st March, 2024	As at 31st March, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year Principal : Interest :	 30.00 NIL	 NIL NIL
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	NIL	NIL

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Notes to the Financial Statements for the year ended 31 March 2024

26. Retirement Benefits

A. GRATUITY

I. Assumptions:

Particulars	As on 31st March, 2024	As on 31st March, 2023
Discount Rate	7.20%	7.40%
Rate of Increase in Compensation Level	4%	4%
Expected Average remaining working lives of employees (years)	9.37	9.24

II. Table Showing Changes in Present Value of Obligations

Particulars	As on 31st March, 2024 (Rs. In Thousand)	As on 31st March, 2023 (Rs. In Thousand)
Present Value of Obligation as at the beginning of the year	434.99	346.27
Acquisition adjustment	-	-
Transfer In / (Out)	307.85	-
Interest Cost	49.96	22.83
Past Service Cost	-	-
Current Service Cost	218.53	150.19
Curtailment Cost / (Credit	-	-
Settlement Cost / (Credit)	-	-
Benefits paid	(32.89)	(40.39)
Actuarial (gain)/ loss on obligations	(11.69)	(43.91)
Present Value of Obligation as at the end of the year	990.12	434.99

III. Actuarial Gain/(Loss) Recognized

Particulars	As on 31st March, 2024 (Rs. In Thousand)	As on 31st March, 2023 (Rs. In Thousand)
Actuarial gain/(loss) for the year – Obligation	(11.69)	(43.91)
Actuarial (gain)/loss for the year - Plan Assets	-	-
Total (gain) / loss for the year	(11.69)	(43.91)
Actuarial (gain) / loss recognized in the year	(11.69)	(43.91)
Unrecognized actuarial (gains) / losses at the end of year	-	-

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SANGHVI BEAUTY & SALON PVT LTD

Notes to the Financial Statements for the year ended 31 March 2024

IV. The Amounts to be recognized in Balance Sheet

Particulars	As on 31st March, 2024	As on 31st March, 2023
Present Value of Obligation as at the end of the year	990.12	434.99
Fair Value of Plan Assets as at the end of the year	-	-
Surplus/(Deficit)	(990.12)	(434.99)
- Current Liability	353.31	274.87
- Non-Current liability	636.80	160.12
Unrecognized Actuarial (gain)/loss at the end of the period	-	-
Net Asset / (Liability) Recognized in Balance Sheet	**(990.12)**	**(434.99)**

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

Particulars	As on 31st March, 2024	As on 31st March, 2023
Current Service Cost	218.53	150.19
Interest cost	49.96	22.83
Actuarial (Gain)/Loss recognized in the period	11.69	(43.91)
Expenses recognized in P&L at the end of the period	280.17	129.10

VI. Reconciliation of Net Assets/(Liability) Recognized

Particulars	As on 31st March, 2024 (Rs. In Thousand)	As on 31st March, 2023 (Rs. In Thousand)
Net Assets/(Liability) recognized at the beginning of the period	(434.99)	(346.27)
Benefits paid by Company	32.89	40.39
Expenses recognized at the end of period	280.17	(129.10)
Transfer In/(out)	307.85	
Net Asset/(Liability) recognized at the end of the period	(990.12)	(434.99)

27. 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	31.03.2024 (Rs. In Thousand)	31.03.2023 (Rs. In Thousand)
Royalty payment to Warren Tricomi	491.35	737.77
Royalty & License Fees to Hachette Filipacchi Presse	1,541.79	769.61

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SANGHVI BEAUTY & SALON PVT LTD

Notes to the Financial Statements for the year ended 31 March 2024

29. During the current year the Company witnessed recovery in the business aided by leisure travel and gradual pickup in the business segment. The Management has secured cash reserve to enable the Company to meet its obligations as they fall due and for its operational need. The Group 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, the financial statements have been prepared on going concern basis. The Company will closely monitor any material changes to future economic conditions to assess any possible impact on the Company.

30. Additional Regulatory Information

(i) Ratios: -

Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Variance	Reason for Variance
Current ratio	Current assets	Current liabilities	0.28	0.27	5.06%	.
Debt-equity ratio	Total debt	Shareholder's Equity	(1.27)	(1.17)	(8.55)%	
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	(0.08)	(0.18)	(53.99)%	Due to decrease in profit
Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	27.14	24.09	12.68%	
Trade receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	4.75	2.91	63.25%	Due to increase in turnover
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.28	0.14	100.66%	Due to increase in turnover
Net capital turnover ratio	Net Sales	Working Capital	(0.75)	(0.54)	39.38%	Due to increase in turnover
Net profit ratio	Net Profit	Net Sales	0.11	0.35	(67.68)%	Due to Decrease in net profit
Return on capital employed	Earning before interest and taxes	Capital Employed	(0.11)	(0.24)	(54.97)%	Due to decrease in net profit

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SANGHVI BEAUTY & SALON PVT LTD

Notes to the Financial Statements for the year ended 31 March 2024

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

As per our attached report on even date

For B K Khare and Co.	**For and On behalf of Board of Directors of**
Chartered Accountants	**SANGHVI BEAUTY & SALON PVT LTD**
Firm Registration Number - 105102W	

A.A.Mahadik

Amit Mahadik
Partner
M.No. 125657
Place: Pune
Date: 27 May 2024

B.K. KHARE & CO. Chartered Accountants

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

Darpan N Sanghvi	Narendra R Sanghvi
Director	**Director**
DIN: 02912102	**DIN: 02912085**
Place: Mumbai	Place: Mumbai
Date:27 May 2024	Date: 27 May 2024