INDEPENDENT AUDITOR'S REPORT

To the Members of
KAPILS SALON INDIA PRIVATE LIMITED

Opinion

We have audited the accompanying financial statements of **Kapils Salon India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of Significant Accounting Policies and Other explanatory information (herein referred to as " financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2024, and its profit (financial performance) and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in these regards.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act; 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if; individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with Standards on Auditing ('SAs'), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative materiality factors in planning the scope of our audit work and in evaluating the results of our work and to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence; and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.

2. Further to our comments in the Annexure mentioned in paragraph 1 above, as required by Section 143 (3) of the Act, we report that;

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

(d) With the exception of Basis for Qualified Opinion paragraph, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) Keeping in view the fact that the turnover of the Company for the latest audited annual financial statements was less than Rs. 50.00 Crores and the aggregate of secured and unsecured borrowing of the Company from banks, FIs and bodies corporate at any point of time during the year being less than Rs.25.00 Crores, the applicability of reporting on the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls is not applicable to the Company;

(g) With respect to the matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company have a pending litigations which would impact its financial position. Outstanding from Club Salon (Borivali) of Rs. 33,46,376/- Plus interest at the rate of 12%. The balance are subject to cross confirmation by both the parties.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a. As per the information and explanations given to us by the management, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 on behalf of the Ultimate Beneficiaries;

b. As per the information and explanations given to us by the management, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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c. On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material misstatement.

v. The Company has not declared or paid any dividend during the year;

For S N & Co
Chartered Accountants
Firm Reg No.: 128887W

S N & CO MUMBAI CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
M.No.: 123409
Place : Mumbai
Date: 4th September 2024
UDIN No.: 24123409BKASJW9335

Annexure – A to the Auditor's Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Kapils Salon India Private Limited** on the financial statements for the year ended March 31, 2024]

1. **Property, Plant & Equipment (Fixed Assets)**

(a) In our opinion and based on the information and explanations provided to us during the course of our audit, the Company is maintaining proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment. There were no intangible assets with the Company as at the close of the year;

(b) The Company has a regular program of physical verification of its Property, Plant & Equipment which is, in our opinion, reasonable, having regard to the size of the Company and the nature of its assets;

(c) As per the information and explanations given to us by the Company, there we no immovable properties with the Company and hence, title deeds of immovable properties are not applicable to the Company.

(d) As per the information and explanations given, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;

(e) As per the information and explanations given, the Company does not hold any benami property and no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

2. **Inventory**

(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification is appropriate. Based on the information and explanations given to us in this regard that upon such verification, there were no discrepancies of 10% or more in the aggregate value for each class of Inventory.

(b) The Company has not been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets.

3. **Loans/Guarantees/Investments in / Provision of Security to certain parties**

Based on the books of account of the Company and as per the information and explanations given to us, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, LLPs or any other parties. Hence, Clauses no.3(iii)(a) to (f) of the Order are not applicable to the Company during the year under review

4. **Loans to Directors and Investments, etc. under Sections 185 and 186 of the Act:**
During the year, the Company has not granted any loans, direct or indirect, to the directors of the Company, within the meaning of Section 185 of the Act. In respect of the investments made in, guarantees and/ or security provided and the grant of loans, there were no transactions entered into by the Company within the purview of Section 186 of the Act.

S N & CO MUMBAI CHARTERED ACCOUNTANTS

5. <u>Acceptance of Deposits</u>

According to the information and explanations given to us, the Company has not accepted any deposits as per the directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

6. <u>Maintenance of Cost Records</u>

The Central Government of India has not specified the maintenance of cost records under Section 148(1) of the Act, for any products of the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company during the year under review.

7. <u>Undisputed & Disputed Statutory Dues</u>

(a) Based on our verification of the books of account of the Company and on the information and explanations given to us, during the year, the Company is generally regular in depositing undisputed statutory dues involving Income Tax, Goods and Services Tax, Provident Fund and ESIC to the extent applicable, with the appropriate authorities and no dues in respect of the same were lying in arrears for a period exceeding six months as at the Balance Sheet date. Considering the present operations of the Company, statutes in respect of Sales Tax, Excise Duty, Customs Duty or Cess were not applicable to the Company during the year.

(b) According to the information and explanations given us and as per the records verified by us, the Company does not have disputed statutory liability during the year under review in respect of Goods & Services Tax (GST), Income tax and other Statutory dues which have not been deposited with the appropriate authorities, in view of dispute

8. <u>Transactions of Undisclosed Income under the Income Tax Act:</u>

According to the information and explanations given to us and as per the records examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 as Income during the year.

9. <u>Loans and Borrowings:</u>

In respect of the borrowings comprising of Term Loans and working capital facilities availed by the Company from Banks, the Company has serviced the said loans and facilities satisfactorily during the year and there were no delays / defaults in the same on the part of the Company. The Company has not taken any loans from financial institutions or from the government. The Company has not issued any debentures during the year. Also, the Company does not have a subsidiary/associate/Joint venture during the year and accordingly Clauses (3)(ix)(e) and (f) are not applicable to the Company.

10. <u>Initial / Further public offer and Preferential / Private placement of Shares or Debentures:</u>

a. In our opinion and according to the information and explanations given to us and to the best of our knowledge and belief, the Company does not raise money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting on clause 3(x)(b) of the Order is not applicable.

11. **Fraud by or on the Company**

a. Based on examination of the books and records of the Company and according to the information and explanations given to us and considering the principles of materiality outlined in the Standards on Auditing, no fraud by or on the Company by its officers or employees has been noticed or reported during the year.

b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c. According to the information and explanations given to us, the Company is not required to adopt a whistle blower policy. Accordingly, clause 3(xi)(c) of the Order is not applicable.

12. **Nidhi Company**

The Company is not a Nidhi company during the year under review and hence the provisions of clause 3(xii) of the Order are not applicable.

13. **Related Party Transactions**

As per the information and explanations given during the course of our verification, in our opinion, all transactions with the related parties made by the Company were in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

14. **Internal Audit**

As per the information and explanations given during the course of our verification, in our opinion, the requirement of Internal Audit is not applicable to the Company. Accordingly, clause 3(xiv)(a) & (b) of the Order is not applicable.

15. **Non cash Transaction with Directors, etc**

As per the information and explanations provided to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors within the purview of Section 192 of the Act. Accordingly, provisions of clause 3(xv) of the Order are not applicable to the Company.

16. **Registration under Section 45-IA of the RBI Act,1934**

a. As per the information and explanations provided to us and based on the overall operations of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

b. As per the information and explanations provided to us and based on the overall operations of the Company, the Company has not conducted any NBFC activity during the year and hence it is not

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

d. The Company does not have any Core Investment Company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence clause (xvi)(d) of the Order is not applicable to the Company during the year under review.

17. Cash Losses

The Company has not incurred any cash losses during the current year and/or during the immediately preceding financial year.

18. Resignation of Statutory Auditors

There has been no resignation of the Statutory Auditors of the Company during the year.
Accordingly, Clause 3(xviii)of the Order is not applicable.

19. Financial Ratios and Material Uncertainty to meet Liabilities by the Company:

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and the Management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto to the date of the Audit Report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

20. Corporate Social Responsibility under Section 135 of the Act:

According to the information and explanations given to us, the provisions Section 135 of the Act in respect of Corporate Social Responsibility are not applicable to the Company. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order is not applicable for the year.

For S N & Co
Chartered Accountants
Firm Reg No.: 128887W

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
M.No.: 123409
Place : Mumbai
Date : 4th September 2024
UDIN No.: 24123409BKASJW9335

KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)
BALANCE SHEET AS AT MARCH 31, 2024

	Particulars	Note	March 31, 2024 (In. Rs)	March 31, 2023 (In. Rs)
I.	**EQUITY AND LIABILITIES**			
1	**SHAREHOLDERS` FUND**			
	- Share Capital	3.1	5,00,000	5,00,000
	- Reserves and Surplus	3.2	6,49,07,498	5,78,90,461
	- Money received against Share Warrants			
	Sub-Total - (A)		6,54,07,498	5,83,90,461
2	**SHARE APPLICATION MONEY PENDING ALLOTMENT**		-	-
	Sub-Total - (B)		-	-
3	**NON-CURRENT LIABILITIES**			
	- Long-term Borrowings	3.3	67,47,178	85,33,928
	- Deferred Tax Liabilities (net)	3.4		
	- Other Long-Term Liabilities	3.5		
	- Long-term Provisions		-	-
	Sub-Total - (C)		67,47,178	85,33,928
4	**CURRENT LIABILITIES**			
	- Short-term Borrowings	3.6	62,31,568	1,59,07,498
	- Trade Payables			
	- Outstanding Dues of Micro, Small and Medium Enterprises	3.7	2,31,712	2,58,791
	- Outstanding Dues other than Micro, Small and Medium Enterprises	3.7	4,72,81,573	2,69,24,639
	- Other Current Liabilities	3.8	13,05,968	16,44,714
	- Short-term Provisions	3.9	65,39,424	54,81,142
	Sub-Total - (D)		6,15,90,245	5,02,16,784
	TOTAL **(A+B+C+D)**		**13,37,44,921**	**11,71,41,170**
II.	**ASSETS**			
5	**NON-CURRENT ASSETS**			
	- Property, Plant & Equipment			
	- Tangible Assets	3.10	3,10,67,895	3,47,97,417
	- Intangible Assets		-	-
	- Capital work-in -progress		-	-
	- Non-current investments	3.11	74,78,356	1,03,20,804
	- Long-term Loans and Assets	3.12	1,76,91,641	1,86,50,100
	- Other Non-current Assets	3.13	21,54,241	40,00,000
	- Deferred Tax Asset (net)	3.14	11,15,887	9,91,205
	Sub-Total - (E)		5,95,08,021	6,87,59,527
6	**CURRENT ASSETS**			
	- Inventories	3.15	1,18,64,271	1,09,59,406
	- Trade Receivables	3.16	4,78,33,578	1,86,80,692
	- Cash and Cash Equivalent	3.17	64,79,990	1,33,30,608
	- Short- term Loans and Advances	3.18	-	-
	- Other Current Assets	3.19	80,59,062	54,10,937
	Sub-Total - (F)		7,42,36,900	4,83,81,643
	TOTAL **(E+F)**		**13,37,44,921**	**11,71,41,170**
Note	**Note 1 to 5.11 from an integral part of accounts**			

As per our attached report of even date

For S N & Co
Chartered Accountants
Firm Regn No. 128887W

S N & CO MUMBAI CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
Membership No. 123409
Place : Mumbai
Date : 04/09/2024
UDIN No. 24123409BKASKL8600

For and on behalf of Board of Directors
For KAPILS SALON INDIA PVT. LTD.

For Kapil's Salon India Pvt. Ltd.

Kapils Sharma (Director) Din: 02976761

Heena Sharma (Director) Din: 02976645

Director

KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

Particulars	Note	For the year ended March 31, 2024 *(In. Rs)*	For the year ended March 31, 2023 *(In. Rs)*
(i) Revenue form Operations:	4.1	36,67,85,123	28,85,67,848
(ii) Other Income	4.2	78,23,398	35,85,855
Total Revenue (i+ii)		37,46,08,521	29,21,53,703
Expenses			
- Cost of Material Consumed	4.3	4,81,75,735	3,95,02,267
- Purchase of Stock-in-Trade	4.4	18,31,04,715	12,31,39,592
- Changes in Inventories of Finished Goods	4.5	(6,02,561)	3,92,845
- Employee Benefit Expenses	4.6	7,01,88,231	6,01,45,929
- Finance Cost	4.7	21,08,470	31,57,932
- Depreciation and amortisation expense	3.10	53,49,255	56,22,535
- Other Expenses	4.8	5,57,33,169	5,18,30,713
Total Expenses		36,40,57,015	28,37,91,813
Profit Before Exceptional And Extraordinary Items And Tax		**1,05,51,506**	**83,61,890**
Extraordinary items			
Priorperiod Expenses		-	4,94,459
Profit Before Tax		**1,05,51,506**	**78,67,431**
- Tax Expense			
Tax expenses for current year		36,59,151	26,97,212
Tax expenses for previous year (Excess) / Short		-	-
Deferred Tax Liability/(Assets)		(1,24,682)	(1,95,336)
Total Tax		35,34,469	25,01,876
Profit and Loss from Continuing operations **		70,17,037	53,65,555
Profit and Loss from Discontinuing operations **		-	-
Tax expense on Discontinuing operations **		-	-
Profit from Discontinuing Operations (after tax)		-	-
Profit for the period		70,17,037	53,65,555
Equity Share of par value Rs. 10 each			
Basis		140.34	107.31
Diluted		140.34	107.31
Note 1 to 5.11 from an integral part of accounts			

As per our Report of Even Date

For S N & Co
Chartered Accountants
Firm Regn No. 128887W

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
Membership No. 123409
Place : Mumbai
Date : 04/09/2024
UDIN No. 24123409BKASKL8600

For and on behalf of Board of Directors
For **KAPILS SALON INDIA PVT. LTD.**

For Kapil's Salon India Pvt. Ltd

Director

Kapils Sharma
(Director)
Din: 02976761

Heena Sharma
(Director)
Din: 02976645

KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)

Cash Flow Statement for the year ended 31st March, 2024

S.No	PARTICULARS	For the year ended 31st March, 2024		For the Year ended 31st March, 2023	
		₹	₹	₹	₹
A.	**Cash Flows From Operating Activities:**				
	Profit Before Taxation	**1,05,51,506**		**83,61,890**	
	Adjustments:				
	Depreciation	53,49,255		56,22,535	
	Finance Charges	21,08,470		31,57,932	
	Provision for Gratuity	-		-	
	Interest Income	2,50,221		17,669	
	Loss on Sale of Assets/ Fixed Assets written off	-		-	
	Operating Profit Before Working Capital Changes	**1,82,59,452**		**1,71,60,025**	
	Adjustments for Working Capital Changes:				
	(Increase)/Decrease in Inventories	(9,04,865)		1,15,00,474	
	(Increase)/Decrease in Trade Receivables	(2,91,52,886)		2,47,15,100	
	(Increase)/Decrease in Short term Loans & Advances	-		(9,97,622)	
	(Increase)/Decrease in Other Current Asset	(26,48,125)		63,87,988	
	(Increase)/Decrease in Long term Loans & Advances	9,58,459		(25,826)	
	(Increase)/Decrease in Non Current Investments	28,42,448		-	
	(Increase)/Decrease in Non Current Asstes	18,45,759			
	Increase/(Decrease) in Short Term Provisions	10,58,282		2,71,511	
	Increase/(Decrease) in Other Current Liabilities	(3,38,746)		52,50,382	
	Increase/(Decrease) in Trade Payables	2,03,29,855		13,32,549	
	Impact of MAT credit				
	Deferred Tax Liability/Asset	-		-	
	Excess / (Short) provision of earlier years	-		-	
	Cash Flows From Operations	**1,22,49,633**		**6,50,94,237**	
	Less: Income Tax Paid	(36,59,148)		-	
	Add: Income Tax Refund				
	Net Cash Flows From Operating Activities		**85,90,485**		**6,50,94,237**
B.	**Cash Flows From Investing Activities:**				
	Purchase of Fixed Assets	(16,19,733)		(83,81,804)	
	Sale of Fixed Assets	-		-	
	Increase in Share Capital	-		-	
	Share Capital Reserve	-		-	
	Interest Income	(2,50,221)		5,95,524	
	Net Cash Flows from Investing Activities		**(18,69,954)**		**(40,14,943)**
C.	**Cash Flow From Financing Activities:**				
	Increase/(Decrease) in Non-Current Liabilities	-		-	
	Increase/(Decrease) in Short Term Borrowings	(96,75,930)		(1,88,32,337)	
	Repayment of Long Term Borrowings	(17,86,750)		(2,36,78,554)	
	Dividend Paid	-		-	
	Finance Charges	(21,08,470)		(1,94,34,682)	
	Net Cash Flows From Financing Activities		**(1,35,71,150)**		**(6,19,45,573)**
	Net Increase/(Decrease) in Cash and Cash Equivalents		**(68,50,619)**		**(8,66,279)**
	Cash and Cash Equivalents at the Beginning		**1,33,30,608**		**15,67,014**
	Cash and Cash Equivalents at the End		**64,79,990**		**1,33,30,608**

Note :-
The above cash flow statement has been prepared by using the "Indirect Method" as per Accounting - Standard 3-Cash Flow statement.

As per our attached report of even date

For S N & Co
Chartered Accountants
Firm Regn No. 128887W

S N & CO
MUMBAI
CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
Membership No. 123409
Place : Mumbai
Date : 04/09/2024
UDIN No. 24123409BKASKL8600

For and on behalf of Board of Directors
For KAPILS SALON INDIA PVT. LTD.

For Kapil's Salon India Pvt. Ltd.

Kapils Sharma
(Director)
Din: 02976761

Heena Sharma
(Director)
Din: 02976645

Director

KAPILS SALON INDIA PVT. LTD.
CIN- (U74990MH2010PTC203148)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2024

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1) **CORPORATE INFORMATION:**
Kapils Salon India Private Limited is a Private Company domiciled in India and incorporated on 13 May 2010 under the provisions of the Companies Act, 1956. The Company is engaged into Hair Care & Beauty Parlour Services and sale of skin care and beauty products.

2) **SIGNIFICANT ACCOUNTING POLICIES:**
The financial statements have been prepared to comply in all material aspects with the applicable accounting principles in India, the Accounting Standards and the relevant provisions of the Companies Act, 2013. The significant accounting policies are as follows:

3) a) **BASIS OF PREPARATION OF FINANCIAL STATEMENTS:**
These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. Accounting policies have been consistently applied.

b) **USE OF ESTIMATES :**
The preparation of financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, reported amounts of revenues and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revisions are made.

c) **PROPERTY, PLANT & EQUIPMENT (FIXED ASSETS) :**
Property, Plant & Equipment (Fixed Assets) are stated at their original cost including incidental expenses related to its acquisation and installation less accumulated depreciation, amortization and impairment loss, if anyTangible assets are stated at cost of acquisition excluding taxes, less accumulated depreciation and impairment loss if any. Cost of acquisition includes all expenses incurred to bring the assets to their present location and working conditions up to the date the assets are put to use
Intangible Assets are stated at cost of acquisition excluding taxes, less amortization and impairment losses, if any. An asset recognized when it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured.

d) **DEPRECIATION:**
Depreciation is provided on Stright Line Method basis, as per prescribed rates as per Schedule II of Companies Act, 2013. Further depreciation is recognized on a pro-rata basis on assets purchased / sold during the year.

e) **IMPAIRMENT OF ASSETS:**
An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

f) **INVENTORIES:**
i) Retail products & Consumables used for customer services are valued at Cost / Net Realizable Value whichever is lower. Cost of inventories comprises all costs of purchase, duties and taxes (net of GST), and other costs incurred in bringing the inventories to their present location & working condition.
ii) Scrap is valued at net realizable value

g) **REVENUE RECOGNITION:**
i) The Salon activity of Hair & Beauty Services and allied services, relating to such activities is recognized upon rendering of the services net of Taxes and discounts given to the customers.
ii) Royalty is recognized on accrual basis. Sales of goods is recognized on dispatch to customer and is net of returns, Taxes and discounts.
iii) Income and Expenditure are accounted on an accrual basis

h) **EMPLOYEE BENEFITS :**
i) **GRATUITY**
Gratuity expenses are accounted for on payment basis.

ii) **LEAVE ENCASHMENT**
Leave Encashment expenses are accounted for on payment basis.

i) **PROVIDENT FUND & FAMILY PENSION**
Contribution to Provident Fund & Family Pension Fund are provided for & payments in respect thereof are made to the relevant authorities on actual basis.

j) **PROVISION FOR CURRENT & DEFFERED TAX:**
Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961.
Deffered Tax resulting from "Timing Difference" between Book and Taxable Profit is accounted as per AS22 for using the tax rates & laws that have been enacted or substantively enacted on the Balance Sheet date.The Deffered Tax Asset is recognised and carried forward only to the extent that there is a virtual certainity supported by convincing evidence that the asset will be realised in future.
Net outstanding balance in Deffered Tax account is recognised as Deffered Tax Laibility/Asset The Deffered Tax account is used soley for reversing timing difference as and when crystalized.

k) **PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**
Provision involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

l) **PRIOR PERIOD ITEMS :**
All identifiable items of Income and Expenditure pertaining to prior period are accounted through "Prior Period Items A/c"

m) **EARNING PER SHARE :**
The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20. The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

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n) **DOUBTFUL DEBTS/ADVANCES / DEPOSITS/ INVESTMENT :**
Provision is made in the accounts for Debts / Advances / Deposits / Investment which in the opinion of the management are considered doubtful of recovery.

o) **CASH FLOW STATEMENT:**
Cash flow is reported using indirect method, whereby profit / (loss) before exceptional and extraordinary items and tax is adjusted for the effects of the transactions of non-cash nature, any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the company is segregated based on the available information with the company.

p) **OPERATING CYCLE:**
Assets and liabilities pertaining to supply of materials and services rendered are classified as current if it is expected to realize or settle within 12 months after the balance sheet date.

q) **BORROWING COSTS:**
Borrwing Cost that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its Intended use. All other borrowing cost are charged off to the statement of Profit & Loss.

r) **OTHER ACCOUNTING POLICIES:**
Other Accounting Policies are consistent with the Generally Accepted Accounting Principles (GAAP) followed by company

NOTES FORMING PART OF THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH, 2024(Cont.)

5.1) a) Contingent Liabilities - Nil (Previous Year Nil).
b) Liability arising out of delayed/non compliance of certain fiscal statutes - Amount Unascertainable (Previous year - Amount Unascertainable).

5.2) Earning Per Share

Sr. No.		Particulars	31st March, 2024 (Amount in ₹)	31st March, 2023 (Amount in ₹)
1		Net profit after tax	70,17,037	53,65,555
2		Weighted average number of equity shares	50,000	50,000
		Face Value per share is Rs.10/- each fully paid-up		
		Earning per share - Basic & Diluted	**140.34**	**107.31**

5.3) In the opinion of the management, Current Assets, Loans and Advances have a value at least equal to the amount at which they are stated in the financial statement, if realized in ordinary course of business and adequate provisions have been made for all known liabilities.

5.4) The Company considers gratuity and leave encashment payable to its eligible employees on cash basis, in material departure from the recommendations of the Accounting Standard 15, Employee Benefits, which prescribes actuarial valuation in this regard as appropriate method. Amount of such non provision in the Company's books as at the Balance Sheet date is presently Unascertainable.

5.5) Certain balances under the heads long term borrowings Trade Payables, Trade Receivables and Deposits are subject to confirmation and any consequential effect of the same shall be given in books upon receipt of said confirmation.

5.6) Secured & Unsecured Loans

a) Secured and Unsecured Loans from Banks
i) Term Loan
The Term loan is partly secured by way of equitable mortgage of Residential flat belonging to the directors situated off. Shantilal Modi Road, Kandivali West, Mumbai. The said loans carried an interest @ 7.55% p.a and were serviced satisfactorily during the year with no dues of delay or default. As per the terms, the scheduled last instalment's due date of the said Loan is 1st April 2032.

ii) Overdraft Facility From Two Banks & MSME Loan From Bank
Overdraft facility is secured by way of equitable mortgage of Residential flat belonging to the directors situated Opposite Chinkara Canteen, Banipark, Jaipur and personally guaranteed by two Directors. The said loans carried an interest of 1 year RBLR (6.85%) +1.25% i.e. @8.10% p.a (approx.) during the year. The same are semi-permanent in nature and were serviced satisfactorily throughout the year.The same are represented under Short term borrowings.

Unsecured Loans from Kotak bank carry an interest of 7.5% p.a and are repayable after 21 months or for additional term as extended upon mutual understanding, and hence are classified as short Term borrowings.The said loans were serviced satifactorily during the year under review.

Unsecured Overdraft facility from Kotak bank carry an interest of 8.75% p.a and are repayable after 5 years or for additional term as extended upon mutual understanding, and hence are classified as Short Term borrowings, since the same is a facility.The said loans were serviced satifactorily during the year under review. The said loans are subject to formal documentation as at the balance sheet date.

b) Unsecured Loans from Directors & Group Concerns
Unsecured Loans from Directors & Group Concerns and are repayable on demand, and hence are classified as Short Term borrowings. The same are interest free in nature. No demand for repayment has been made during year and hence there is no delay/default in servicing the said loans.

5.7) The Company is partner in a limited liability partnership firm, following are the details:
Name of LLP: Kapils Hair and Beauty solution LLP

Partners Name	Current Year		Previous Year	
	Profit Sharing Ratio	Share of profit/(Loss) for the period credited to Profit & Loss Statement	Profit Sharing Ratio	Share of profit/(Loss) for the period credited to Profit & Loss Statement
Kapils Salon India Pvt. Ltd.(the Company)	90.00%	-31,58,276	90.00%	-8,50,332
Mr.Kapil Sharma	5.00%	-1,57,914	5.00%	-47,241
Ms.Heena Sharma	5.00%	-1,57,914	5.00%	-47,241

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5.8) Details of Turnover, Beauty Products Traded along with Opening & Closing balances of Stock in Trade (as certified by Management)

Provision of Services	Turnover	Opening Stock	Closing Stock
Haircut Men-MS 2020	54,00,498	N.A.	N.A.
Haircut Women-MS	48,03,170	N.A.	N.A.
Root Touchup Women	66,05,596	N.A.	N.A.
Haircut Women-AD	42,47,888	N.A.	N.A.
Haircut Women-CD 2020	26,08,459	N.A.	N.A.
Hair Treatments	50,22,492	N.A.	N.A.
Others	16,18,95,734	N.A.	N.A.

Quantitative details of products are not reported due to high volume of transactions between multiple SKU's, however company have maintained records for their internal controls

5.9) Excess Goods & Services Tax remitted to the department due to oversight in earlier years amounting to Rs. 28.60Lakhs (Previous Year: 9.49Lakhs), has been included under other current assets. The Company is hope full of their full recovery in near future

5.10) Details of amounts due to Micro, Small and Medium Enterprises under the head Current Liabilities as required under the Micro, Small and Medium Enterprises Development Act, 2006, based on the information available with the Company and relied upon by the Auditors - Rs. 2,31,712 (Previous Year- 2,58,791) , Interest Payable on overdue balance NIL (Previous Year- NIL).

5.11) Directors remuneration paid/provided for during year

Description	31st March, 2024 (Amount in ₹)	31st March, 2023 (Amount in ₹)
Remuneration to Directors	47,40,000	45,60,000

Note: (a) Details of the Directors are given in Related party disclosure. Please refer note no.13 below.
Note: (b) Remuneration paid to Directors is subject to shareholders approval in the ensuing general meeting of the Company.

5.12) Related Party Disclosures

Names of related parties and description of relationship :

Sr. No.		Name	Relation
		Key Managerial Personnel (KMP)	
1		Mr. Kapil Sharma	Director
2		Mrs. Heena Sharma	Director
1		M/s. Enthral (Registered Firm)	Enterprises where key management personnel exercise significant influence
2		M/s. Exhilarate(Registered Firm)	
3		M/s. Rashmi Salon(Registered Firm)	
4		M/s. Shree Hare Krishna Enterpnses (Registered Firm)	
5		Khushi The New Look Salon(Registered Firm)	
6		Khushi The New Look Salon (Registered Firm)	
7		Kapils Hair & Beauty Salon LLP	
			Note: Related Parties have been identified by the Management

Transactions with related parties during the Financial Year 2022-23 **(Amount in ₹)**

Details of Related Party Transactions are as follows:

Sr. No.		Nature of transaction	Key Management Personnel	Relatives of Key Management Personnel & other related Parties	Enterprises over which Key Managerial Personnel are able to exercise significant influence	Maximum Balances
		Transactions during the year:				
1		**Remuneration**				
		a. Heena Sharma	18,00,000	-	-	8,87,660
		b. Kapil Sharma	29,40,000	-	-	3,55,284
2		**Purchases**				
		a. Enthral	-	-	12,881	
		b. Exhilarate	-	-	-	
		c. Rashmi Salon	-	-	19,415	
		d. Shree Hare Krishna Enterprises	-	-	-	
		e. Khushi The New Look Salon (Mulund)			-	
		f. Khushi The New Look Salon (Dombivali)			-	
		g. Kapils Hair & Beauty Salon LLP			13,839	
		h. Khushi The New Look Salon (Bhayander)			1,21,817	
		i. KD Wellness services LLP			1,81,224	
3		**Sales**				
		a. Enthral	-	-	24,119	4,27,023
		b. Exhilarate	-	-	112	4,01,087
		c. Rashmi Salon	-	-	-	-
		d. Shree Hare Krishna Enterprises	-	-	2,91,697	2,09,326
		e. Khushi The New Look Salon (Mulund)			-	-
		f. Khushi The New Look Salon (Dombivali)			-	-
		g. Khushi The New Look Salon (Bhayander)			20,96,408	2,33,056
		h. Kapils Hair & Beauty Salon LLP			13,87,667	46,93,053
		i. KD Wellness services LLP			30,27,310	2,30,158
4		**Royalty Income**				
		a. Enthral	-	-	6,77,364	6,14,650
		b. Exhilarate	-	-	2,43,799	2,89,734
		c. Rashmi Salon	-	-	4,73,169	4,46,089
		d. Shree Hare Krishna Enterprises	-	-	11,13,191	8,69,496
		e. Khushi The New Look Salon (Mulund)			-	-
		f. Khushi The New Look Salon (Dombivali)			-	-
		g. Khushi The New Look Salon (Bhayander)			3,28,747	2,42,745
		h. Kapils Hair & Beauty Salon LLP			-	-
		i. KD Wellness Services LLP			5,90,150	1,60,281
		j. Skylark			1,80,000	1,65,000
5		**Loan Taken**				
		a. Heena Sharma	90,23,278			79,49,554
		b. Kapil Sharma	17,33,348			38,30,592
6		**Professional Fees Expenses**				
		a. Shree Hare Krishna Enterprises			4,06,915	3,35,273
7		**Loan Repaid**				
		a. Heena Sharma	1,94,03,343			79,49,554
		b. Kapil Sharma	17,02,794			38,30,592

& CO. MUMBAI CHARTERED ACCOUNTANTS

Balances at the year end:

Sr. No		Nature of transaction	Key Management Personnel	Relatives of Key Management Personnel & other related Parties	Enterprises over which Key Managerial Personnel are able to exercise significant Influence
		a. Heena Sharma	-32,93,895	-	-
		b. Kapil Sharma	37,10,607	-	-
		a. Enthral	-	-	2,23,514
		b. Exhilarate	-	-	21,58,189
		c. Rashmi Salon	-	-	(87,759)
		d. Shree Hare Krishna Enterprises	-	-	(82,219)
		e. Khushi The New Look Salon (Mulund)			28,79,395
		f. Khushi The New Look Salon (Dombivali)			70
		g. Khushi The New Look Salon (Bhayander)			5,64,475
		h. Kapils Hair & Beauty Salon LLP			(12,24,570)
		i. KD Wellness Services LLP			20,62,010
		j. Skylark			4,01,403

5.13) a) Provision towards current tax has been made as per the law stated under Income Tax Act, 1961 is Rs. 26,97,212 (Previous Year Rs. 17,40,659)

b) Deffered Tax is summarised as under - **(Amount in ₹)**

Particulars	**2023-24**	**2022-23**
Opening balance in Deffer Tax (Liability)/Asset (A)	9,91,076	7,95,739
Written down value as per Companies Act	3,10,67,895	3,47,97,417
Written down value as per Income Act	3,55,01,650	3,87,35,258
Timing Difference due to depreciation	44,33,755	39,37,840
Tax @ 25.168%	11,15,887	9,91,076
Deferred Tax Asset Balance Closing (B)	**11,15,887**	**9,91,076**

5.14) Based on an assessment carried out by the Company in accordance with the Accounting Standard-28, there is no indication that the carrying amount of any asset exceeds or is less than its recoverable amount and hence there is no material impairment in the Company's Property, Plant & Equipment as at the Balance Sheet date. The Auditors have relied on the same.

5.15) The Company has not traded in crypto currency or virtual currency during the year.

5.16) The Company is not required to spend any amount in terms of provisions of Section 135 of the Act on Corporate Social Responsibility.

5.17) The Company is not declared a wilful defaulter by any bank or financial institution or other lenders or by the government.

5.18) No loans or advances in the nature of loans were granted by the Company to its promoters, directors or key managerial personnel during the year.

5.19) There was no Capital Work-in-progress of tangible or intangible nature with the Company as at the Balance Sheet date.

5.20) No loans on the security of current assets has been availed by the Company during the year.

5.21) The Company has no transactions with the struck off Companies under Section 248 or 560 of the Act.

5.22) No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

5.23) There are no ultimate beneficiaries to whom the Company has lent/invested nor received any fund during the year within the meaning of Foreign Exchange Management Act 1999 and Prevention of Money Laundering Act 2002.

5.24) Compliance related to number of layers prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company, keeping in view the fact that the Company has no subsidiaries.

5.25) Significant Financial ratios - Please refer next page.

5.26) Disclosure on transaction which is not recorded in the books of accounts that has 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, is not applicable to the Company, since no such event occurred during the year.

5.27) Being a private entity, the Company does not have any un-utilised amounts in respect of any issue of securities. Long-term borrowings from banks have been utilised for the specific purpose for which they were raised.

5.28) The Company has no charge for satisfaction, which is yet to be registered with the Registrar of Companies beyond the statutory period.

5.29) The Company has re-grouped, reclassified and/or re-arranged the previous year's figures, whenever necessary, to conform to the current year's classification.

As per our report of even date
For S N & Co
Chartered Accountants
Firm Regn No. 128887W

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

CA Niki Shah
Partner
Membership No. 123409
Place : Mumbai
Date : 04/09/2024
UDIN No. 24123409BKASKL8600

FOR AND ON BEHALF OF BOARD OF DIRECTORS
For Kapils Salon India Pvt. Ltd.

Kapils Sharma	Heena Sharma
(Director)	(Director)
Din: 02976761	Din: 02976645

Director

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2024

Note No. 3.1 :- SHARE CAPITAL

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Authorised Capital :		
50,000 (PY:50,000) Equity Shares of Rs.10/- each	5,00,000	5,00,000
	5,00,000	5,00,000
Issued, Subcribed and Fully Paid up :		
EQUITY SHARE CAPITAL		
50,000 (PY:50,000) Equity Shares of Rs.10/- each fully paid up	5,00,000	5,00,000
	5,00,000	5,00,000

a. Details of Shareholding as at March 31, 2023

i. Details of equity shares held by shareholders holding more than 5% shares of the aggregate shares in the Company

Number of Shares Promoters	No of shares held	% of holding
Mr. Kapil Ramawtar Sharma	45,500	91.00%
Ms. Heena Mohanbhai Patel	4,500	9.00%
	50,000	100.00%

b. Reconciliation of the number of Equity Shares outstanding

Particulars	31-Mar-2024 Number of Shares	31-Mar-2023 Number of Shares
Number of Shares at the beginning of the year	50,000	50,000
Add: Shares issued	-	-
Less: Shares Forfeited	-	-
Number of Shares at the end of the year	50,000	50,000

c. Promoters shareholding

Equity Shares held by Promoters as at the end of the Current year, Previous year and Percentage of Change

Promoter Name	No. of Shares	Current Year	Previous Year	% of total shares**	% Change during the year***
Mr. Kapil Ramawtar Sharma	45500	45500	45500	91.00%	0.00%
Ms. Heena Mohanbhai Patel	4500	4500	4500	9.000%	0.00%
Total	50000	50000	50000	100.00%	0.000%

Note No. 3.2 - RESERVES AND SURPLUS

(In. Rs)

Particulars	As at March 31, 2024	As at March 31, 2023
Surplus		
Statement of Profit & Loss		
Opening Balance	5,78,90,461	5,25,24,906
(+) Transfer from Annexed Profit & Loss statement	70,17,037	53,65,555
Deduction for Fixed assets	-	-
Profit Available for Appropration	6,49,07,498	5,78,90,461
Surplus Carried to Balance Sheet	6,49,07,498	5,78,90,461

Note No. 3.3 - LONG - TERM BORROWINGS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
I. **Secured Borrowings:**		
a. Term Loan		
- from banks		
- from others	-	-
Total Secured Long Term Borrowings - (I)	-	-
II. **Unsecured Borrowings**		
a. Term Loan		
- from banks (MSME Loan)	-	11,42,061
- from banks (Other than MSME Loan)	67,47,178	73,91,867
b. Others		
Total Unsecured Long Term Borrowings - (II)	67,47,178	85,33,928
III. **Total Long Term Borrowings (I + II)**	67,47,178	85,33,928

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Note No. 3.6 - SHORT - TERM BORROWINGS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
I. Secured Borrowings:		
a. Current maturities of long-term borrowings	-	-
b. Bank Overdraft Facility	42,75,428	34,64,287
Total Secured Short Term Borrowings - (I)	42,75,428	34,64,287
II. Unsecured Borrowings		
a. Current maturities of long-term borrowings		
- Term Loan	6,25,070	6,06,632
- MSME Loan	9,14,357	9,14,356
b. Loan repayable on Demand.		
- From Banks		
c. Loan from Directors (Interest Free)	4,16,712	1,09,22,222
Total Unsecured Short Term Borrowings - (II)	19,56,139	1,24,43,210
III. Total Short Term Borrowings (I + II)	62,31,568	1,59,07,498

Note No. 3.7 - TRADE PAYABLES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Trade Payables		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	2,31,712	2,58,791
(ii) Total outstanding dues of Creditors other than Micro Enterprises	4,72,81,573	2,69,24,639
Total	4,75,13,285	2,71,83,430

Trade Payables ageing schedule: As at 31st March,2024 (Amount in ₹)

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	3,16,983	-	(85,271)	-	2,31,712
(ii)	Others	4,64,30,582	3,08,491	5,42,500	-	4,72,81,573
(iii)	Disputed dues- MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

Trade Payables ageing schedule: As at 31st March,2023 (Amount in ₹)

	Particulars	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	1,80,260				1,80,260
(ii)	Others	(1,40,72,001)	29,45,109	3,87,42,395		2,76,15,502
(iii)	Disputed dues- MSME	-	-	(6,12,336)	-	(6,12,336)
(iv)	Disputed dues - Others	-	-	-	-	-

Note No. 3.8 - OTHER CURRENT LIABILITIES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Current maturities of Long Term Debt (Secured)		
Other Liabilities	-	-
Outstanding Salaries		
Statutory Dues Payable		
- TDS Payable	11,04,037	14,20,244
- Goods & Services Tax	-	-
- Profession Tax	1,60,754	2,22,279
- TCS on sales	41,177	2,191
Total	13,05,968	16,44,714

Note No. 3.9 - SHORT TERM PROVISIONS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Provisions for		
- Audit Fees	6,65,000	6,65,000
- Electricity Expenses	1,75,319	1,14,317
- ESIC	52,815	48,985
- Provident Fund	1,63,827	1,38,706
- Outstanding Salaries	54,34,550	45,01,653
- Others	47,913	12,481
Total	65,39,424	54,81,142

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2024

Note No. 3.10 - Property, Plant & Equipments

(In. Rs)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Opening as at April 1, 2023	Addition for the year	Disposals/Other Adjustments	Closing as at March 31, 2024	Up to April 1, 2023	Provided for the Year	Adjustments	Up to March 31, 2024	Closing as at March 31, 2024	Closing as at March 31, 2023
I. Tangible Assets										
a. Furniture & Fixtures	5,12,70,201	1,80,726	-	5,14,50,927	2,38,05,143	31,24,436		2,69,29,580	2,45,21,347	2,74,65,057
b. Computer	30,40,972	1,00,651	-	31,41,623	26,01,402	2,05,781		28,07,183	3,34,440	4,39,570
c. Electrical Equipment	1,34,86,218	13,38,356	-	1,48,24,574	92,02,911	16,58,384		1,08,61,296	39,63,279	42,83,307
d. Motor Vehicles	57,26,008	-	-	57,26,008	31,16,525	3,60,653		34,77,179	22,48,829	26,09,483
Sub Total - (I)	7,35,23,399	16,19,733	-	7,51,43,132	3,87,25,982	53,49,255	-	4,40,75,237	3,10,67,895	3,47,97,417
II. Intangibles Assets	-	-	-	-	-	-	-	-	-	-
III. Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
IV. Intangible assets under Development	-	-	-	-	-	-	-	-	-	-
Sub Total - (II)	-	-	-	-	-	-	-	-	-	-
V. Grand Total - (I + II)	7,35,23,399	16,19,733	-	7,51,43,132	3,87,25,982	53,49,255	-	4,40,75,237	3,10,67,895	3,47,97,417
Previous Year	6,86,99,810	48,23,589	-	7,35,23,399	3,31,03,447	56,22,535	-	3,87,25,982	3,47,97,417	3,55,96,363

S N & CO. * MUMBAI * CHARTERED ACCOUNTANTS

Note No. 3.11 - NON-CURRENT INVESTMENTS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
a. **Non Trade, Long Term (At cost)** Capital Balance with Kapils Hair and Beauty solution LLP in a limited libility Partnership firm (towards Capital contribution)	74,78,356	1,03,20,804
Total	74,78,356	1,03,20,804

Note No. 3.12 - LONG TERM LOANS AND ADVANCES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
I. **Secured, Considered good**		
II. **(Unsecured, Considered good unless otherwise stated)**		
a. Capital Advances		
b. Security Deposits		
Deposits with Government authorities		
Deposits with Lessors	1,38,40,731	1,48,28,186
c. Loans and Advances to Related Parties		
d. Other Advances Recoverables -Staff Loans	38,50,910	38,21,914
III. **Dobutful**		
Total Long Term Loans and Advances	1,76,91,641	1,86,50,100

Note No. 3.13 - OTHER NON-CURRENT ASSETS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
a. **Others** Fixed Deposit with Banks (Maturity more then 12 months)	21,54,241	40,00,000
Total	21,54,241	40,00,000

Note No. 3.14 - DEFERRED TAX ASSET (NET)

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Deferred Tax Asset		
Opening Balance	9,91,205	7,95,869
Provided during the year - Timing differences due to Depreciation	1,24,682	1,95,336
Expenditure / Provisions allowable on payment basis - 43B Items	-	-
Expenditure allowable u/s. 35D	-	-
Closing Balance	11,15,887	9,91,205

Note No. 3.14 - INVENTORIES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
a. Raw Materials	-	-
b. Work in Progress	-	-
c. Finished Goods	76,84,705	73,82,400
d. Stock In Trade	41,79,566	35,77,005
e. Stores and Spares	-	-
Total Inventories	1,18,64,271	1,09,59,406

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 3.15 - TRADE RECEIVABLES

(In. Rs)

Particulars		March 31, 2024	March 31, 2023
I Secured, Considered good			
II. (Unsecured, Considered good, Unless otherwise stated)			
a. Outstanding for a period exceeding six months from they are due for payment			
- Considered Good		1,81,94,886	1,70,89,318
- Considered Doubtful of Recovery	-		
Less: Provision for Doubtful Debt		-	-
b. Others		2,96,38,692	15,91,374
Total		4,78,33,578	1,86,80,692

Trade Receivables ageing schedule as at 31st March,2024

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	2,96,38,692	-	-	29,67,659	1,52,27,227	4,78,33,578
(i) Undisputed Trade receivables -considered doubtful						-
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful		5,08,222				5,08,222

***Management is in the process of recovering the outstanding of more than 3 years.*

Trade Receivables ageing schedule as at 31st March,2023

(Amount in ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	59,19,684	2,82,355	8,04,571	-	1,16,74,078	1,86,80,688
(i) Undisputed Trade receivables -considered doubtful						-
(iii) Disputed trade receivables considered good						-
(iv) Disputed trade receivables considered doubtful		5,82,889				5,82,889

***Management is in the process of recovering the outstanding of more than 3 years.*

Note No. 3.16 - CASH AND CASH EQUIVALENTS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Cash and Cash Equivalents		
- Balance with Banks in current account	56,23,290	1,27,15,821
- Cash on hand	8,56,700	6,14,788
Total Cash and Bank Balances	64,79,990	1,33,30,608

Note No. 3.18 - OTHER CURRENT ASSETS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Accrued Interest on Fixed Deposit	-	11,041
Income Tax Refund Receivable	54,38,335	44,51,021
Goods & Services Tax Excess Payment Recoverable	26,20,727	9,48,875
Total	80,59,062	54,10,937

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 4.1 - REVENUE FROM OPERATIONS IN RESPECT OF NON FINANCE COMPANY

(In. Rs)

Particulars		March 31, 2024	March 31, 2023
Revenue from Provision of Services			
- Beauty Parlour services		19,05,83,837	15,50,42,239
- Royalty		38,81,131	30,92,026
- Trademark And Franchisee Fees		-	5,00,000
- License Fees Income		29,83,883	30,57,794
	(A)	19,74,48,852	16,16,92,059
Revenue from Sale of Products			
- Beauty Products	(B)	16,93,36,271	12,68,75,789
Total Income from Operations	(A+B)	**36,67,85,123**	**28,85,67,848**

Note No. 4.2 - OTHER INCOME

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Interest Income		
- From Bank Deposits	2,48,873	11,041
- From Others	1,348	6,628
Other Non-operating Income		
- Other Miscellaneous Income	36,58,923	27,35,715
- Rental Income From Sub-letting	67,941	8,32,471
- Sundry balance Written Back	38,46,314	-
Total	**78,23,398**	**35,85,855**

Note No. 4.3 - COST OF MATERIALS CONSUMED

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Materials consumption for Beauty services		
Opening Stock	73,82,400	66,55,383
Add : Purchase of Beauty products	4,84,78,040	4,02,29,285
	5,58,60,440	4,68,84,668
Less Closing Stock	76,84,705	73,82,400
	4,81,75,735	**3,95,02,267**
Total	**4,81,75,735**	**3,95,02,267**

Note No. 4.4 - PURCHASE OF STOCK-IN-TRADE

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
- Beauty Products for Trading	18,31,04,715	12,31,39,592
Total	**18,31,04,715**	**12,31,39,592**

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 4.5 - CHANGES IN INVENTORIES OF TRADED GOODS

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Closing Stocks:		
- Beauty Products for Services & Trading	41,79,566	35,77,005
Total (A)	41,79,566	35,77,005
Less: Opening Stocks:		
- Beauty Products for Services & Trading	35,77,005	39,69,850
Total (B)	35,77,005	39,69,850
Total (A-B)	6,02,561	(3,92,845)
(Increase)/Decrease in Excise Duty on Stocks		
Total	**(6,02,561)**	**3,92,845**

Note No. 4.6 - EMPLOYEE BENEFIT EXPENSES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Director Remuneration	47,40,000	45,60,000
Salaries, Wages, Allowances	6,37,71,793	5,41,89,569
E.S.I.C	4,67,503	4,83,303
Provident Fund Contribution	7,68,488	6,99,140
Staff Welfare Expenses	4,40,447	1,12,978
Others	-	1,00,940
Total	**7,01,88,231**	**6,01,45,929**

Note No. 4.7 - FINANCE COST

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Interest Expenses		
- Borrowings From Banks	7,83,229	10,69,849
- Others		
Other Finance Charges	13,25,241	20,88,083
Total	**21,08,470**	**31,57,932**

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 4.8 - OTHER EXPENSES

(In. Rs)

Particulars	March 31, 2024	March 31, 2023
Advertisement Expenses	43,68,557	40,18,040
Electricity Charges	33,67,577	25,49,743
Communication Expenses	6,12,683	5,89,046
Travelling and Conveyance Expenses	10,05,722	3,76,496
Housekeeping & Laundary Charges	4,50,168	3,01,978
Printing & Stationery	9,57,343	9,78,823
Software Charges	11,14,600	10,95,928
Legal & Professional Charges	44,67,902	63,55,282
Rent , Rates & Taxes	3,12,61,277	2,94,25,085
Office Expenses	13,66,187	27,72,451
Repairs & Maintainence	13,86,167	9,35,019
Commision & Brokerage	10,15,977	3,16,994
Share of Loss in LLP	28,42,448	8,50,322
Other Expense	11,66,562	9,15,506
Payment to Auditors		
Statutory Audit Fees	3,00,000	3,00,000
Tax Audit Fees	50,000	50,000
Total	**5,57,33,169**	**5,18,30,713**

S N & CO. * MUMBAI * CHARTERED ACCOUNTANTS