KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)
BALANCE SHEET AS AT MARCH 31, 2025

	Particulars	Note	March 31, 2025 (In. Rs)	March 31, 2024 (In. Rs)
I.	**EQUITY AND LIABILITIES**			
1	**SHAREHOLDERS` FUND**			
	- Share Capital	3.1	5,00,000	5,00,000
	- Reserves and Surplus	3.2	11,21,12,115	6,49,07,498
	- Money received against Share Warrants			
	Sub-Total - (A)		11,26,12,115	6,54,07,498
2	**SHARE APPLICATION MONEY PENDING ALLOTMENT**		-	-
	Sub-Total - (B)		-	-
3	**NON-CURRENT LIABILITIES**			
	- Long-term Borrowings		-	-
	- Deferred Tax Liabilities (net)		-	-
	- Other Long-Term Liabilities			-
	- Long-term Provisions		-	-
	Sub-Total - (C)		-	-
4	**CURRENT LIABILITIES**			
	- Short-term Borrowings	3.3	77,64,024	1,29,78,746
	- Trade Payables			
	- Outstanding Dues of Micro, Small and Medium Enterprises	3.4	2,53,63,597	2,31,712
	- Outstanding Dues other than Micro, Small and Medium Enterprises	3.4	6,88,44,346	4,72,81,573
	- Other Current Liabilities	3.5	56,06,722	13,05,968
	- Short-term Provisions	3.6	99,42,293	65,39,424
	Sub-Total - (D)		11,75,20,982	6,83,37,423
	TOTAL (A+B+C+D)		**23,01,33,096**	**13,37,44,921**
II.	**ASSETS**			
5	**NON-CURRENT ASSETS**			
	- Property, Plant & Equipment			
	- Tangible Assets	3.7	4,45,38,429	3,10,67,895
	- Intangible Assets			-
	- Capital work-in -progress	3.7	16,65,479	-
	- Non-current investments	3.8	78,55,909	74,78,356
	- Long-term Loans and Assets	3.9	32,86,667	38,50,910
	- Deferred Tax Asset (net)	3.10	10,47,767	11,15,887
	- Other Non-current Assets	3.11	1,92,48,881	1,38,40,731
	Sub-Total - (E)		7,76,43,133	5,73,53,779
6	**CURRENT ASSETS**			
	- Inventories	3.12	1,46,72,672	1,18,64,271
	- Trade Receivables	3.13	11,57,29,041	4,20,91,619
	- Cash and Cash Equivalent	3.14	1,63,33,035	86,34,231
	- Other Current Assets	3.15	57,55,216	1,38,01,020
	- Short- term Loans and Advances			
	Sub-Total - (F)		15,24,89,964	7,63,91,142
	TOTAL (E+F)		**23,01,33,096**	**13,37,44,921**

Notes 1 to 5.26 form an Integral part of this 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 : 07/05/2025
UDIN No. 25123409BMIDPO1333

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

For Kapils Salon India Pvt. Ltd.
Director

Kapil Sharma
(Director)
Din: 02976761

Heena Sharma
(Director)
Din: 02976645

KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

Particulars	Note	(In. Rs) For the year ended March 31, 2025	(In. Rs) For the year ended March 31, 2024
(i) Revenue form Operations	4.1	52,07,02,503	36,67,85,123
(ii) Other Income	4.2	21,77,694	78,23,398
Total Revenue (i+ii)		52,28,80,197	37,46,08,521
Expenses			
- Purchase of goods and services	4.3	31,76,25,321	23,15,82,754
- Changes in inventories	4.4	(28,08,401)	(9,04,865)
- Employee Benefit Expenses	4.5	7,98,32,776	7,01,88,231
- Finance Cost	4.6	11,93,501	21,08,470
- Depreciation and amortisation expense	3.7	53,49,714	53,49,255
- Other Expenses	4.7	5,86,99,742	5,57,33,169
Total Expenses		45,98,92,653	36,40,57,015
Profit Before Exceptional And Extraordinary Items And Tax		**6,29,87,543**	**1,05,51,506**
Extraordinary items			
Priorperiod Expenses			-
Profit Before Tax		**6,29,87,543**	**1,05,51,506**
- Tax Expense			
Tax expenses for current year		1,57,14,807	36,59,151
Tax expenses for previous year (Excess) / Short			-
Deferred Tax Liability/(Assets)		68,120	(1,24,682)
Total Tax		1,57,82,927	35,34,469
Profit and Loss from Continuing operations **		4,72,04,616	70,17,037
Profit and Loss from Discontinuing operations **			-
Tax expense on Discontinuing operations **			-
Profit from Discontinuing Operations (after tax)			-
Profit for the period		**4,72,04,616**	**70,17,037**
Equity Share of par value Rs. 10 each			
Basis		944.09	140.34
Diluted		944.09	140.34
Notes 1 to 5.26 form an integral part of this 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 : 07/05/2025
UDIN No. 25123409BMIDPO1333

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

For Kapils Salon India Pvt. Ltd.

Director

Kapil Sharma
(Director)
Din: 02976761

Heena Sharma
(Director)
Din: 02976645

KAPILS SALON INDIA PVT. LTD.
(U74990MH2010PTC203148)

Cash Flow Statement for the year ended 31st March, 2025

S.No	PARTICULARS	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		₹	₹	₹	₹
A.	**Cash Flows From Operating Activities:**				
	Profit Before Taxation	6,29,87,543		1,05,51,506	
	Adjustments:				
	Depreciation	53,49,714		53,49,255	
	Finance Charges	11,93,501		21,08,470	
	Provision for Gratuity	-		-	
	Interest Income	26,685		2,50,221	
	Loss on Sale of Assets/ Fixed Assets written off			-	
	Operating Profit Before Working Capital Changes	6,95,57,443		1,82,59,452	
	Adjustments for Working Capital Changes:				
	(Increase)/Decrease in Inventories	(28,08,401)		(9,04,865)	
	(Increase)/Decrease in Trade Receivables	(7,36,37,421)		(2,91,52,886)	
	(Increase)/Decrease in Short term Loans & Advances	-		-	
	(Increase)/Decrease in Other Current Asset	80,45,804		(26,48,125)	
	Increase/(Decrease) in Short Term Provisions	34,02,868		10,58,282	
	Increase/(Decrease) in Other Current Liabilities	43,00,754		(3,38,746)	
	Increase/(Decrease) in Trade Payables	4,66,94,658		2,03,29,855	
	Increase/(Decrease) in Short Term Borrowings	-5214721.27		(96,75,930)	
	Impact of MAT credit				
	Deferred Tax Liability/Asset	-		-	
	Excess / (Short) provision of earlier years	-		-	
	Cash Flows From Operations	5,03,40,983		(30,72,963)	
	Less: Income Tax Paid	(1,57,14,807)		(36,59,148)	
	Add: Income Tax Refund				
	Net Cash Flows From Operating Activities		3,46,26,176		(67,32,111)
B.	**Cash Flows From Investing Activities:**				
	Purchase of Fixed Assets	(1,88,20,248)		(16,19,733)	
	Sale of Fixed Assets	-		-	
	Increase in Share Capital	-		-	
	Share Capital Reserve	-		-	
	Interest Income	(26,685)		(2,50,221)	
	(Increase)/Decrease in Capital work-in -progress	(16,65,479)			
	(Increase)/Decrease in Long term Loans & Advances	5,64,243		9,58,459	
	(Increase)/Decrease in Non Current Investments	(3,77,553)		28,42,448	
	(Increase)/Decrease in Non Current Asstes	-		18,45,759	
	(Increase)/Decrease in Other Non Current Asstes	(54,08,150)			
	Net Cash Flows from Investing Activities		(2,57,33,871)		37,76,712
C.	**Cash Flow From Financing Activities:**				
	Increase/(Decrease) in Non-Current Liabilities			-	
	Repayment of Long Term Borrowings	-		(17,86,750)	
	Dividend Paid	-		-	
	Finance Charges	(11,93,501)		(21,08,470)	
	Net Cash Flows From Financing Activities		(11,93,501)		(38,95,220)
	Net Increase/(Decrease) in Cash and Cash Equivalents		76,98,803		(68,50,619)
	Cash and Cash Equivalents at the Beginning		86,34,231		1,33,30,608
	Cash and Cash Equivalents at the End		1,63,33,035		86,34,231

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

CA Niki Shah
Partner
Membership No. 123409
Place : Mumbai
Date : 07/05/2025
UDIN No. 25123409BMIDPO1333

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

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

For Kapils Salon India Pvt. Ltd

Kapil 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, 2025

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.

ii) Royalty & License fees Income is recognized on accrual basis on the terms of the contractual agreement entered with customers.

iii) Sale of beauty products is recognized on dispatch to customers and is net of returns, taxes and discounts.

iv) Interest income is accounted on accrual basis and included in other income in the statement of the profit and loss.

v) Revenue in respect of other income is recognized to the extent the ultimate realization, as consistently followed by company, is reasonably certain.

vi) Membership fees is recorded on receipt basis since they are non-refundable in nature

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.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

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

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, 2025(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, 2025 (Amount In ₹)	31st March, 2024 (Amount In ₹)
1		Net profit after tax	4,72,04,616	70,17,037
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	944.09	140.34

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.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

5.5) Secured & Unsecured Loans

a) Secured and Unsecured Loans from Banks

i) Term Loan

The term loan which was partly secured by way of equitable mortgage of Residential flat belonging to the directors situated off. Shantilal Modi Road, Kandivali West, Mumbai has been repaid during the year.

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 (6.50%) +3.25% i.e. @9.75% 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. Over draft facility from RBL Bank Limited has been transferred to ICICI Bank Limited

Overdraft facility is secured by way of equitable mortgage of Residential flat belonging to the directors situated at M.G. Road, Kandivali west, Mumbai 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.

Unsecured Loans from Kotak bank in the form of MSME loan has been repaid during the year.

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.

5.6) 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%	3,77,553	90.00%	-8,50,332
Mr.Kapil Sharma	5.00%	20,975	5.00%	-47,241
Ms.Heena Sharma	5.00%	20,975	5.00%	-47,241

Name of LLP: ITI's Bellissimo Salon 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)	50.00%	-	-	-
Itishree Girijanandini Gartia	50.00%	-	-	-

Name of LLP: Kapils Timeless Beauty 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)	65.00%	-	-	-
Sanman Enterprise	35.00%	-	-	-

The Company's closing balance in above LLP has been shown under Other Non current Investment.

5.7) 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. 2,50,34,979 (Previous Year- 2,31,712) . Interest Payable on overdue balance NIL (Previous Year- NIL).

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

5.8) Directors remuneration paid/provided for during year

Description	31st March, 2025 (Amount in ₹)	31st March, 2024 (Amount in ₹)
Remuneration to Directors	55,27,200	47,40,000

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.

5.9) 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 Enterprises (Registered Firm)	
5		Khushi The New Look Salon(Registered Firm)	
6		Kapils Hair & Beauty Solutions LLP	
7		KD Wellness services LLP	
8		Skylark	
9		ITI's Bellissimo Salon LLP	
10		Kapils Timeless Beauty LLP	
			Note: Related Parties have been identified by the Management

Transactions with related parties during the Financial Year 2024-25 (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	24,07,200	-	-	(12,04,230)
		b. Kapil Sharma	31,20,000	-	-	(6,74,580)
2		**Purchases**				
		a. Enthral	-	-	18,696	
		b. Exhilarate	-	-	71,193	
		c. Rashmi Salon	-	-	1,92,656	
		d. Shree Hare Krishna Enterprises	-	-	1,16,559	
		g. Kapils Hair & Beauty Solutions LLP			2,47,066	
		h. Khushi The New Look Salon			2,73,947	
		i. KD Wellness services LLP			3,25,326	
3		**Sales**				
		a. Enthral	-	-	4,47,953	
		b. Exhilarate	-	-	1,61,784	
		c. Rashmi Salon	-	-	1,78,270	
		d. Shree Hare Krishna Enterprises	-	-	1,78,772	
		g. Khushi The New Look Salon			17,94,840	
		h. Kapils Hair & Beauty Solutions LLP			11,22,858	
		i. KD Wellness services LLP			24,85,207	
4		**Royalty Income**				
		a. Enthral	-	-	10,17,429	7,61,698
		b. Exhilarate	-	-	2,38,549	17,23,353
		c. Rashmi Salon	-	-	5,16,403	(1,08,095)
		d. Shree Hare Krishna Enterprises	-	-	8,91,605	(3,09,667)
		g. Khushi The New Look Salon			3,45,822	4,55,476
		h. Kapils Hair & Beauty Solutions LLP			-	(12,82,965)
		i. KD Wellness Services LLP			5,33,030	15,19,993
		j. Skylark			1,80,000	3,74,704
5		**Loan Taken**				
		a. Heena Sharma	2,13,82,453			79,49,554
		b. Kapil Sharma	23,67,599			38,30,592
6		**Professional Fees Expenses**				
		a. Shree Hare Krishna Enterprises			5,70,990	(3,09,667)
					-	
7		**Loan Repaid**				
		a. Heena Sharma	1,80,77,898			79,49,554
		b. Kapil Sharma	27,73,718			38,30,592

S N & 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	-	-	-
		b. Kapil Sharma	(34,30,063)	-	-
		a. Enthral	-	-	7,10,792
		b. Exhilarate	-	-	18,85,061
		c. Rashmi Salon	-	-	(1,08,095)
		d. Shree Hare Krishna Enterprises	-	-	5,178
		e. Khushi The New Look Salon			43,34,381
		f. Kapils Hair & Beauty Solutions LLP			4,37,585
		g. KD Wellness Services LLP			22,85,201
		h. Skylark			4,17,303

5.10) a) Provision towards current tax has been made as per the law stated under Income Tax Act, 1961 is Rs. 1,57,14,807 (Previous Year Rs. 36,59,151)

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

Particulars	2024-25	2023-24
Opening balance in Deffer Tax (Liability)/Asset (A)	9,91,076	7,95,739
Written down value as per Companies Act	4,45,38,429	3,47,97,417
Written down value as per Income Act	4,87,01,523	3,87,35,258
Timing Difference due to depreciation	41,63,094	39,37,840
Tax @ 25.168%	10,47,767	9,91,076
Deferred Tax Asset Balance Closing (B)	**10,47,767**	**9,91,076**

5.11) 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.

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

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

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

5.15) 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.

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

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

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

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

5.19) 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.

5.20) 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.

5.21) Significant Financial ratios - Please refer next page.

5.22) 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.

5.23) 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.

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

5.25) As the company is only in one line of business hence segmental reporting is not applicable as per AS 17.

5.26) 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 : 07/05/2025
UDIN No. 25123409BMIDPO1333

FOR AND ON BEHALF OF BOARD OF DIRECTORS
For KAPILS SALON INDIA PVT. LTD.

For Kapils Salon India Pvt. Ltd.

Director

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

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2025

Note No. 3.1 :- SHARE CAPITAL

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
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, 2025

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%
Mrs. Heena Kapil Sharma	4,500	9.00%
	50,000	**100.00%**

b. Reconciliation of the number of Equity Shares outstanding

	31-Mar-2025	31-Mar-2024
Particulars	**Number of Shares**	**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%
Mrs. Heena Kapil Sharma	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, 2025	As at March 31, 2024
Surplus		
Statement of Profit & Loss		
Opening Balance	6,49,07,498	5,78,90,461
(+) Transfer from Annexed Profit & Loss statement	4,72,04,616	70,17,037
Deduction for Fixed assets	-	-
Profit Available for Appropration	11,21,12,115	6,49,07,498
Surplus Carried to Balance Sheet	11,21,12,115	6,49,07,498

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 3.3 - SHORT - TERM BORROWINGS

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
I. Secured Borrowings:		
a. Current maturities of long-term borrowings	-	-
b. Bank Overdraft Facility	43,33,960	42,75,428
Total Secured Short Term Borrowings - (I)	43,33,960	42,75,428
II. Unsecured Borrowings		
a. Current maturities of long-term borrowings		
- Term Loan		
- MSME Loan	-	73,72,248
b. Loan repayable on Demand.	-	9,14,357
- From Banks		
c. Loan from Directors (Interest Free)	34,30,064	4,16,712
Total Unsecured Short Term Borrowings - (II)	34,30,064	87,03,318
III. Total Short Term Borrowings (I + II)	77,64,024	1,29,78,746

Note No. 3.4 - TRADE PAYABLES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Trade Payables		
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	2,53,63,597	2,31,712
(ii) Total outstanding dues of Creditors other than Micro Enterprises	6,88,44,346	4,72,81,573
Total	9,42,07,943	4,75,13,285

Trade Payables ageing schedule: As at 31st March,2025

(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	2,53,63,597	-	-	-	2,53,63,597
(ii)	Others	6,81,14,844	4,51,835	-	2,77,666	6,88,44,346
(iii)	Disputed dues- MSME	-	-	-	-	-
(iv)	Disputed dues - Others	-	-	-	-	-

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	-	-	-	-	-

Note No. 3.5 - OTHER CURRENT LIABILITIES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Current maturities of Long Term Debt (Secured)		
Other Liabilities		
Outstanding Salaries		-
Statutory Dues Payable		
- TDS Payable	10,36,350	11,04,037
- Goods & Services Tax	43,32,794	
- Profession Tax	1,65,154	1,60,754
- TCS on sales	72,424	41,177
Total	56,06,722	13,05,968

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 3.6 - SHORT TERM PROVISIONS

Particulars	March 31, 2025	March 31, 2024
Provisions for		
- Audit Fees	6,65,000	6,65,000
- Electricity Expenses	2,97,398	1,75,319
- ESIC	51,324	52,815
- Provident Fund	1,88,921	1,63,827
- Outstanding Salaries	59,93,375	54,34,550
- Income Tax Provision	21,49,160	
- Others	5,97,114	47,913
Total	99,42,293	65,39,424

Note No. 3.8 - NON-CURRENT INVESTMENTS

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
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)	78,55,909	74,78,356
Total	78,55,909	74,78,356

Note No. 3.9 - LONG TERM LOANS AND ADVANCES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
I. **Secured, Considered good**		
II. **(Unsecured, Considered good unless otherwise stated)**		
a. Capital Advances		
b. Loans and Advances to Related Parties		
c. Other Advances Recoverables -Staff Loans	32,86,667	38,50,910
III. **Dobutful**		
Total Long Term Loans and Advances	32,86,667	38,50,910

Note No. 3.10 - DEFERRED TAX ASSET (NET)

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Deferred Tax Asset		
Opening Balance	11,15,887	9,91,205
Provided during the year - Timing differences due to Depreciation	(3,21,813)	1,24,682
Expenditure / Provisions allowable on payment basis - 43B Items		-
Expenditure allowable u/s. 35D	2,53,693	-
Closing Balance	10,47,767	11,15,887

Note No. 3.11 - Other Non Current Assets

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Security Deposits		
Deposits with Government authorities		
Deposits with Lessors	1,92,48,881	1,38,40,731
Total Other Non Current Assets	**1,92,48,881**	**1,38,40,731**

Note No. 3.12 - INVENTORIES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
a. Inventories (as certified by the management)	1,46,72,672	1,18,64,271
Total Inventories	1,46,72,672	1,18,64,271

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 3.13 - TRADE RECEIVABLES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
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	56,53,297	39,15,992
- Considered Doubtful of Recovery		
Less: Provision for Doubtful Debt		-
b. Others	11,00,75,744	3,81,75,627
Total	11,57,29,041	4,20,91,619

Trade Receivables ageing schedule as at 31st March,2025

(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	11,00,75,744	11,792	21,87,831	-	34,53,674	**11,57,29,041**
(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 year and is certain about the money to be received in near future.*

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	3,81,75,627	-	-	4,62,318	34,53,674	**4,20,91,619**
(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 year and is certain about the money to be received in near future.*

Note No. 3.14 - CASH AND CASH EQUIVALENTS

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Cash and Cash Equivalents		
- Balance with Banks in current account	1,09,36,390	56,23,290
- Cash on hand	9,81,645	8,56,700
- Others (Sweep fixed deposits)	44,15,000	21,54,241
Total Cash and Bank Balances	1,63,33,035	86,34,231

Note No. 3.15 - OTHER CURRENT ASSETS

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Accrued Interest on Fixed Deposit	13,258	-
Goods & Services Tax		26,20,727
Income Tax Refund Receivable		54,38,335
Deposits and advances (others)	57,41,958	57,41,958
Total	57,55,216	1,38,01,020

S.N. & CO. * MUMBAI * CHARTERED ACCOUNTANTS

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

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Revenue from sale of Product & services		
Revenue from sale of goods and services	52,07,02,503	36,67,85,123
Total Income from Operations	**52,07,02,503**	**36,67,85,123**

Note No. 4.2 - OTHER INCOME

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Interest Income		
- From Bank Deposits	21,181	2,48,873
- From Others	5,504	1,348
Other Non-operating Income		
- Other Miscellaneous Income	17,73,145	36,58,923
- Rental Income From Sub-letting	-	67,941
- Sundry balance Written Back	311	38,46,314
Share in Profit/(Loss)	3,77,553	
Total	**21,77,694**	**78,23,398**

Note No. 4.3 - PURCHASE OF GOODS AND SERVICES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
- Purchase of Goods and services	31,76,25,321	23,15,82,754
Total	**31,76,25,321**	**23,15,82,754**

Note No. 4.4 - CHANGES IN INVENTORIES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Closing Stock	1,46,72,672	1,18,64,271
Total (A)	1,46,72,672	1,18,64,271
Less: Opening Stocks	1,18,64,271	1,09,59,406
Total (B)	1,18,64,271	1,09,59,406
Total (A-B)	28,08,401	9,04,865
Total	**(28,08,401)**	**(9,04,865)**

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note No. 4.5 - EMPLOYEE BENEFIT EXPENSES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Director Remuneration	55,27,200	47,40,000
Salaries, Wages, Allowances	7,25,33,402	6,37,71,793
E.S.I.C	4,96,164	4,67,503
Provident Fund Contribution	7,32,479	7,68,488
Staff Welfare Expenses	4,57,605	4,40,447
Others	85,926	-
Total	**7,98,32,776**	**7,01,88,231**

Note No. 4.6 - FINANCE COST

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Interest Expenses		
- Borrowings From Banks	3,14,577	7,83,229
- Others		
Other Finance Charges	8,78,924	13,25,241
Total	**11,93,501**	**21,08,470**

Note No. 4.7 - OTHER EXPENSES

(In. Rs)

Particulars	March 31, 2025	March 31, 2024
Advertisement Expenses	56,71,761	43,68,557
Electricity Charges	40,74,667	33,67,577
Communication Expenses	7,11,370	6,12,683
Travelling and Conveyance Expenses	8,44,401	10,05,722
Housekeeping & Laundary Charges	6,01,272	4,50,168
Printing & Stationery	6,40,246	9,57,343
Software Charges	17,31,208	11,14,600
Legal & Professional Charges	57,09,045	44,67,902
Rent , Rates & Taxes	3,10,47,657	3,12,61,277
Office Expenses	17,81,796	13,66,187
Repairs & Maintainence	20,13,553	13,86,167
Commision & Brokerage	13,15,115	10,15,977
Share of (Profit)/Loss in LLP		28,42,448
Other Expense	22,07,653	11,66,562
Payment to Auditors		
Statutory Audit Fees	3,00,000	3,00,000
Tax Audit Fees	50,000	50,000
Total	**5,86,99,742**	**5,57,33,169**

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

NOTES ON ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2025

Note No. 3.7 - Property, Plant & Equipments

(In. Rs)

Particulars	Gross Block				Depreciation / Amortisation				Net Block	
	Opening as at April 1, 2024	Addition for the year	Disposals/Other Adjustments	Closing as at March 31, 2025	Up to April 1, 2024	Provided for the Year	Adjustments	Up to March 31, 2025	Closing as at March 31, 2025	Closing as at March 31, 2024
I. Tangible Assets										
a. Furniture & Fixtures	5,14,50,927	1,23,68,590	-	6,38,19,517	2,69,29,580	36,13,560		3,05,43,140	3,32,76,377	2,45,21,347
b. Computer	31,41,623	8,30,408	-	39,72,031	28,07,183	1,49,761		29,56,944	10,15,087	3,34,440
c. Electrical Equipment	1,48,24,574	56,21,250	-	2,04,45,824	1,08,61,296	12,71,508		1,21,32,804	83,13,020	39,63,279
d. Motor Vehicles	57,26,008		-	57,26,008	34,77,179	3,14,885		37,92,063	19,33,945	22,48,829
Sub Total - (I)	7,51,43,132	1,88,20,248	-	9,39,63,380	4,40,75,237	53,49,714	-	4,94,24,951	4,45,38,429	3,10,67,895
II. Intangibles Assets	-	-	-	-	-	-	-	-	-	-
III. Capital Work in Progress	-	16,65,479	-	16,65,479	-	-	-	-	16,65,479	-
IV. Intangible assets under Development	-	-	-	-	-	-	-	-	-	-
								-	-	-
Sub Total - (II)	-	-	-	-	-	-	-	-	-	-
V. Grand Total - (I + II)	7,51,43,132	1,88,20,248	-	9,39,63,380	4,40,75,237	53,49,714	-	4,94,24,951	4,45,38,429	3,10,67,895
Previous Year	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

Capital-work-in Progress (CWIP)/ Intangible assets under development

For Capital-work-in progress and Intangible assets under development following is the ageing schedule:

(In. Rs)

Particular	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
As on 31st March,2025	16,65,479.00				16,65,479.00
As on 31st March,2024					

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

Note 5.21) Financial Ratios

	Description	Numerator	31/3/25 (Amount in `)	31/3/24 (Amount in `)	Denominator	31/3/25 (Amount in `)	31/3/24 (Amount in `)	31-Mar-25	31-Mar-24	% of Variance
1	**Current Ratio**	Current Assets			Current Liabilities					
		Inventories	1,46,72,672	1,18,64,271	Short-term Borrowings	77,64,024	1,29,78,746			
		Trade Receivables	11,57,29,041	4,20,91,619	Trade Payables	9,42,07,943	4,75,13,285			
		Cash and Bank balances	1,63,33,035	86,34,231	Other Current Liabilities	56,06,722	13,05,968			
		Other Current Assets	57,55,216	1,38,01,020	Short-term Provisions	99,42,293	65,39,424			
			15,24,89,964	**7,63,91,142**		**11,75,20,982**	**6,83,37,423**	1.30	1.12	16%
2	**Debt Equity Ratio**	Total Liabilities Total Outside Liabilities	11,75,20,982	6,83,37,423	Shareholder's Equity Total Shareholders Equity	11,26,12,115	6,54,07,498	1.044	1.045	0%
3	**Return on Equity Ratio**	Profit for the period Net Profit after taxes - preference dividend (if any)	4,72,04,616	70,17,037	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity) ÷ 2	8,90,09,807	6,18,98,980	53.03%	11.34%	42%
4	**Inventory Turnover Ratio**	Cost of Goods sold (Opening Stock + Purchases) – Closing Stock	31,48,16,920	23,06,77,890	Average Inventory (Opening Stock + Closing Stock)/2	(18,56,633)	(6,19,518)	(169.56)	(372.35)	-54%
5	**Trade Receivables Turnover Ratio**	Net Credit Sales Credit Sales	52,07,02,503	36,67,85,123	Average Trade Receivables (Beginning Trade Receivables + Ending Trade Receivables) / 2	7,89,10,330	3,03,86,156	6.60	12.07	-45%
6	**Trade Payables Turnover Ratio**	Total Purchases Annual Net Credit Purchases	31,76,25,321	23,15,82,754	Average Trade Payables (Beginning Trade Payables + Ending Trade Payables)/2	7,08,60,614	3,73,48,357	4.48	6.20	-28%
7	**Net Capital Turnover Ratio**	Net Sales Total Sales - Sales Return	52,07,02,503	36,67,85,123	Average Working Capital Current Assets - Current Liabilities	3,49,68,982	80,53,719	14.89	45.54	-67%
8	**Net Profit Ratio**	Net Profit Profit After Tax	4,72,04,616	70,17,037	Net Sales Sales	52,07,02,503	36,67,85,123	9.07%	1.91%	7.15%
9	**Return on Capital employed**	EBIT Profit before Interest and Taxes	6,29,87,543	1,05,51,506	Capital Employed Capital Employed = Equity + Long Term Debt	11,26,12,115	6,54,07,498	56%	16%	40%
10	**Return on Investment**	Return/Profit/Earnings	3,77,553	(28,42,448)	Investment	78,55,909	74,78,356	0.05	(0.38)	43%

S N & CO. • CHARTERED ACCOUNTANTS • MUMBAI

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, 2025, 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, 2025, 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.

S N & CO. MUMBAI CHARTERED ACCOUNTANTS

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

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

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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..
- 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 <u>**Annexure A**</u>, 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;

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(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;

(d) With the exception of Basis for 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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) As regards the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, please refer "**Annexure B**" of this report, to the extent applicable to the company during the year under review.

(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

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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

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: 7th May 2025
UDIN No.: 25123409BMIDPO1333

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, 2025]

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**

a) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence sub-clauses iii (a), (d), (e), (f) under clause (iii) of the Order are not applicable.

b) The investments made and loans granted in nature of staff advances, during the year are, prima facie, not prejudicial to the Company's interest.

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c) In respect of loans or advance in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

4. **Loans to Directors and Investments, etc. under Sections 185 and 186 of the Act:**

According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any loans, guarantee or security as specified under Sections 185 and 186 of the Act. In respect of the investments made by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.

5. **Acceptance of Deposits**

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. **Maintenance of Cost Records**

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. **Undisputed & Disputed Statutory Dues**

(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. **Transactions of Undisclosed Income under the Income Tax Act:**

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. **Loans and Borrowings:**

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

S N & CO. * MUMBAI * CHARTERED ACCOUNTANTS 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. **Initial / Further public offer and Preferential / Private placement of Shares or Debentures:**

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.

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.

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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 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.

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20. <u>Corporate Social Responsibility under Section 135 of the Act:</u>

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 : 7th May 2025
UDIN No.: 25123409BMIDPO1333

Annexure-B to the Independent Auditor's Report

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members **Kapils Salon India Private Limited** on the financial statements for the year ended March 31, 2025]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Kapils Salon India Private Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation ofreliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide Reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accountingprinciples, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3)provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use,or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of anyevaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components ofinternal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

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 : 7th May 2025
UDIN No.: 25123409BMIDPO1333