

INDEPENDENT AUDITOR'S REPORT

To the Members of Helios Lifestyle Private Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying Financial Statements of Helios Lifestyle Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

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, as amended ("the Act") 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 of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. 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 Act 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 audit opinion on the Financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such 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 this regard.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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, management 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 management 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 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 with reference to Financial Statements 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.



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- 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.

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.

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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 accounts 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;



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- (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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - 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) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share 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) The management has represented that, to the best of its knowledge and belief, 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
 - c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.
 - vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per Nikhil Aggarwal

Partner

Membership Number: 504274

UDIN: 23504274BGXRFJ4703

Place of Signature: Gurugram

Date: May 23, 2023



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Annexure 1 to the Auditor's Report referred to in paragraph of "Report on Other Legal and Regulatory Requirements" in our report of even date

Re: Helios Lifestyle Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in two years which is reasonable having regard to the size of the Company and the nature of its assets.

c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.

e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The management has conducted physical verification of inventory at reasonable intervals except for inventories lying with third parties amounting to INR 176.33 lacs, which have not been verified during the year or at the end of the year. Inventories lying with third parties have not been confirmed by them. In our opinion, except for inventories lying with third parties amounting to INR 176.33 lacs, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory, were noted on physical verification of inventories, and have been properly dealt with in the books of account.

b) As disclosed in note 14 to the Financial Statements, the Company has been sanctioned working capital limits in excess of INR five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the Financial Statements, the monthly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- iii. a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.



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b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.
- vii. a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a serious delay in case of deposit of professional tax.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues in respect of professional tax were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Name of the Statute	Nature of the Dues	Amount (INR lacs)	Period to which the amount relates	Due Date	Date of payment	Remarks, if any
PT Act, 1987	Professional Tax	0.19	March 2021 to August 2022	April 20, 2021 to September 20, 2022	May 03, 2023	-

b) There are no dues of goods and services tax, provident fund, employees' state insurance, professional taxes, labor welfare fund, and other statutory dues which have not been deposited on account of any dispute.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.



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- ix.
 - a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
 - d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
 - e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
 - f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- x.
 - a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - b) The Company has not made any preferential allotment or private placement of shares during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
 - a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
 - b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Financial Statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.
- xiv. The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv) of the Order is not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.



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- xvi. a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d) The Group has two Core Investment Company as part of the Group.
- xvii. The Company has incurred cash losses amounting to INR 1,887.70 lacs in the current year and amounting to INR 2,510.75 lacs in the immediately preceding financial year respectively.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 40 to the Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management 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 that Company is not capable of meeting its liabilities existing at the date of 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 up 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.
- xx. The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- xxi. There is no requirement for preparation of consolidated Financial Statements and accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Nikhil Aggarwal

Partner

Membership Number: 504274

UDIN: 23504274BGXRFJ4703

Place of Signature: Gurugram

Date: May 23, 2023



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ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HELIOS LIFESTYLE PRIVATE LIMITED

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

We were engaged to audit the internal financial controls with reference to Financial Statements of Helios Lifestyle Private Limited ("the Company") as of March 31, 2023, 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 internal control over financial reporting criteria established by the Company considering 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 the 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 of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Financial Statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to these Financial Statements of the Company.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial control with reference to Financial Statements 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 with reference to Financial Statements 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 accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.



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Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control with reference to Financial Statements on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls with reference to Financial Statements as at March 31, 2023 and whether such internal financial controls were operating effectively. Accordingly, we do not express an opinion on Internal Financial Controls with reference to these Financial Statements.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the Financial Statements of Helios Lifestyle Private Limited, which comprise the Balance Sheet as at March 31, 2023, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information, and our report dated May 23, 2023 expressed an unqualified opinion thereon. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Financial Statements of the Company, and the disclaimer does not affect our opinion on the Financial Statements of the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Nikhil Aggarwal

Partner

Membership Number: 504274

UDIN: 23504274BGXRFJ4703

Place of Signature: Gurugram

Date: May 23, 2023



Helios Lifestyle Private Limited
Balance Sheet as at March 31, 2023
CIN-U24297HR2013PTC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	102.02	117.97
Right-of-use assets	4a	213.94	260.89
Intangible asset	4b	10.02	7.44
Intangible asset under development	4b	-	7.27
Financial assets			
(i) Other financial assets	5	296.80	15.41
Deferred tax assets (net)	6	161.96	129.81
Total non-current assets		784.75	538.79
Current assets			
Inventories	7	1,040.07	872.28
Financial assets			
(i) Trade receivables	8	884.64	662.07
(ii) Cash and cash equivalents	9A	107.88	188.13
(iii) Other bank balances other than (i) above	9A	-	1,125.00
(iv) Other financial assets	5	171.59	135.19
Current tax assets	10	44.79	51.43
Other current assets	11	99.16	207.71
Total current assets		2,348.13	3,241.81
Total assets		3,132.88	3,780.60
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	26.93	26.47
Other equity	13		
(i) Securities Premium	13	7,891.87	7,446.24
(ii) Share based payment reserve	13	139.50	99.30
(iii) Retained earnings	13	(9,298.83)	(7,111.37)
Total equity		(1,240.53)	460.63
Non-current liabilities			
Financial liabilities			
(i) Lease liabilities	33	124.35	207.42
Provisions	16	57.18	73.58
Total non-current liabilities		181.53	281.00
Current liabilities			
Contract liability	18	63.43	137.24
Financial liabilities			
(i) Lease liabilities	33	104.52	82.74
(ii) Borrowings	14	286.88	400.00
(iii) Trade payables	17		
A) total outstanding dues of micro enterprises and small enterprises;		268.53	75.42
B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,920.82	1,865.68
(iv) Others financial liabilities	15	427.90	390.88
Provisions	16	45.69	13.13
Other current liabilities	19	74.11	73.88
Total current liabilities		4,191.88	3,038.97
Total liabilities		4,373.41	3,319.97
Total equity and liabilities		3,132.88	3,780.60
Summary of significant accounting policy			
	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. - 101049W/E300004

Nikhil Aggarwal

per Nikhil Aggarwal

Partner

Membership No. - 504274

Place : Gurugram

Date : May 23, 2023



For and on behalf of the Board of Directors
of Helios Lifestyle Private Limited

Bhisham

Bhisham Bhateja

Whole Time Director

DIN-06399900

Place : Gurugram

Date : May 23, 2023



Hitesh Dhingra

Hitesh Dhingra

Director

DIN-00846433

Place : Gurugram

Date : May 23, 2023

Helios Lifestyle Private Limited
Statement of Profit and Loss for the year ended March 31, 2023
CIN-U24297HR2013PTC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from contracts with customers	20	11,499.74	7,361.51
Other income	21	71.77	81.19
Total income		11,571.51	7,442.70
Expenses			
Purchases of packing material and traded goods	22	4,979.92	3,567.70
(Increase) in inventories of packing material and traded goods	23	(195.79)	(410.30)
Employee benefits expense	24	2,122.75	1,627.57
Finance costs	25	81.62	102.08
Depreciation and amortisation expense	26	185.86	122.51
Other expenses	27	6,638.92	5,566.55
Total expenses		13,813.28	10,576.11
Loss before tax		(2,241.77)	(3,133.41)
Tax expense:			
Current tax		-	-
Deferred tax (credit)		(37.92)	(44.91)
Total tax expense		(37.92)	(44.91)
Loss for the year		(2,203.85)	(3,088.50)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss			
-Remeasurement gain/ (loss) on defined benefit plan		22.16	(14.18)
-Income tax effect		(5.76)	3.69
Other comprehensive income/ (loss), net of tax		16.40	(10.49)
Total comprehensive loss for the year, net of tax		(2,187.45)	(3,098.99)
Loss per equity share (face value of INR 10 each):	29		
Basic (in INR)		(821.88)	(1,224.97)
Diluted (in INR)		(821.88)	(1,224.97)
Summary of significant accounting policy	2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.- 101049W/E300004

Nikhil Aggarwal

per **Nikhil Aggarwal**
Partner
Membership No.- 504274
Place : Gurugram
Date : May 23, 2023



For and on behalf of the Board of Directors
of Helios Lifestyle Private Limited

Bhisham

Bhisham Bhateja
Whole Time Director
DIN-06399900
Place : Gurugram
Date : May 23, 2023

Hitesh Dhingra



Hitesh Dhingra
Director
DIN-00846433
Place : Gurugram
Date : May 23, 2023

Helios Lifestyle Private Limited
Cash Flow Statement for the year ended March 31, 2023
CIN-U24297HR2013PTC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Loss before tax	(2,241.77)	(3,133.41)
<u>Adjustments to reconcile the profit before tax to net cash flow:</u>		
Depreciation and amortisation expense	185.86	122.51
Intangible assets written off	5.09	-
Expense on employee stock option scheme (ESOP) (refer note 32)	40.20	72.92
Provision for bad and doubtful debt	68.66	97.89
Provision for inventories	28.01	33.65
Inventory scrapped and written off during the year (refer note 45)	-	204.16
Interest on financial liabilities carried at amortised cost - borrowings	13.77	69.03
Interest on late payment to MSMED vendors	14.00	2.00
Interest cost- Others	-	0.30
Interest on lease liability	33.89	21.04
Interest income earned on bank deposits	(20.90)	(58.67)
Income from investment in mutual fund	(3.47)	(11.83)
Gain on derecognition of Right of Use Assets and Lease Liabilities (Net)	(29.60)	-
Interest income on security deposit	(3.97)	(0.82)
Liabilities written back	-	(0.01)
Foreign exchange fluctuations gain (net)	(1.82)	(0.01)
	(1,912.05)	(2,581.24)
<u>Working capital adjustments:</u>		
(Increase) in inventories	(195.80)	(640.04)
(Increase)/ decrease in trade receivables	(289.40)	308.70
(Increase) in other financial assets	(329.59)	(100.61)
Decrease in other current Assets	108.56	52.00
Increase/ (decrease) in trade payables	1,235.22	(323.11)
Increase in provisions	38.31	40.40
Increase in other financial liabilities	83.31	107.93
(Decrease)/ increase in contract liability	(73.82)	62.96
(Decrease) in other current liabilities	0.22	(64.80)
Cash used in operations	(1,335.04)	(3,137.82)
Income tax (paid)/ refund	6.64	(47.52)
Net cash flows (used) from operating activities	A (1,328.40)	(3,185.33)
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(43.39)	(66.08)
Proceeds from disposal of property, plant and equipment	0.15	-
Purchase of intangible assets	(5.25)	-
Payment for intangible assets under development	-	(3.64)
Interest received on bank deposits	20.90	58.67
Investment in mutual funds	(725.00)	(3,089.85)
Redemption of mutual funds	728.47	3,101.83
Investment in bank deposits (original maturity of more than three months but less than twelve months)	-	(2,000.00)
Redemption of bank deposits (original maturity of more than three months but less than twelve months)	1,125.00	875.00
Net cash flows generated from investing activities	B 1,100.88	(1,124.07)
C. Cash flow from financing activities		
Proceeds from issue of equity share capital (including security premium)	-	4,776.34
Repayment of borrowings (Net)	-	(195.00)
Cash credit taken	286.88	-
Repayment of compulsory non convertible debentures	-	(63.77)
Interest paid	-	(32.21)
Repayment of lease liability (Principal)	(105.71)	(56.01)
Repayment of lease liability (Interest)	(33.89)	(21.04)
Net cash flows generated from financing activities	C 147.28	4,408.31
Net (decrease)/ increase in cash and cash equivalents	(A+B+C) (80.24)	98.90
Cash and cash equivalents at the beginning of the year	188.13	75.77
Cash and cash equivalents at year end	107.88	174.66
Components of cash and cash equivalents		
Cash on hand	0.99	1.75
Balances with banks		
- On current account	12.13	145.90
Deposits with original maturity of less than three months	52.50	-
Fund in transit	42.26	40.48
Cash and cash equivalents at year end (refer note 9A)	107.88	188.13

Refer note 9B for Change in liabilities arising from financing activities.

Summary of significant accounting policies (refer note 2)

The accompanying notes are integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No.- 101049W/E3000

per Nikhil Aggarwal

Partner

Membership No.- 504274

Place : Gurugram

Date : May 23, 2023



For and on behalf of the Board of Directors
of Helios Lifestyle Private Limited

Bhisham Bhateja

Whole Time Director

DIN-06399900

Place : Gurugram

Date : May 23, 2023

Hitesh Dhingra

Director

DIN-00846433

Place : Gurugram

Date : May 23, 2023



Helios Lifestyle Private Limited
Statement of Changes in Equity for the year ended March 31, 2023
CIN-U24297HR2013PTC048437
(All amounts are in INR lacs unless otherwise stated)

a. Equity share capital

Particulars	Amount
Equity shares of INR 10 each issued, subscribed and fully paid	
As at April 1, 2021	21.27
Issue of share capital (refer note 12)	5.20
As at March 31, 2022	26.47
Issue of share capital (refer note 12)	0.46
As at March 31, 2023	26.93

b. Other equity

Particulars	Reserves and Surplus			Total Equity
	Securities Premium	Share based payment reserve	Retained earnings	
Balance as at April 1, 2021	2,451.44	26.38	(4,012.39)	(1,534.57)
Loss for the year	-	-	(3,088.50)	(3,088.50)
Issue of share capital (refer note 13)	4,994.80	-	-	4,994.80
Employee stock option (refer note 13)	-	72.92	-	72.92
Other comprehensive (loss), net of tax	-	-	(10.49)	(10.49)
Total comprehensive income/ (loss) for the year	4,994.80	72.92	(3,098.98)	1,968.73
Balance as at March 31, 2022	7,446.24	99.30	(7,111.38)	434.16
Total comprehensive loss for the year	-	-	(2,203.85)	(2,203.85)
Issue of share capital (refer note 13)	445.63	-	-	445.63
Employee stock option (refer note 13)	-	40.20	-	40.20
Other comprehensive income, net of tax	-	-	16.40	16.40
Total comprehensive income/ (loss) for the year	445.63	40.20	(2,187.45)	(1,701.62)
Balance as at March 31, 2023	7,891.87	139.50	(9,298.83)	(1,267.46)

Summary of significant accounting policies (refer note 2)

The accompanying notes are integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.- 101049W/E300004

Nikhil Aggarwal

per Nikhil Aggarwal
Partner
Membership No.- 504274
Place : Gurugram
Date : May 23, 2023



For and on behalf of the Board of Directors
of Helios Lifestyle Private Limited

Bhisham

Bhisham Bhateja
Whole Time Director
DIN-06399900
Place : Gurugram
Date : May 23, 2023



Hitesh Dhingra

Hitesh Dhingra
Director
DIN-00846433
Place : Gurugram
Date : May 23, 2023

Helios Lifestyle Private Limited
Notes to Financial Statements for the year ended March 31, 2023
CIN-U24297HR2013PTC048437
(All amounts are in INR lacs, unless stated otherwise)

1. Corporate Information

Helios Lifestyle Private Limited (“hereinafter referred to the Company”) was incorporated on February 27, 2013 under Companies Act 2013 (as amended), is engaged in the trading of men's grooming and cosmetics products owning the brand “The Man Company”. The Company is a private limited company domiciled in India. The registered office of the Company is located at Spazedge Tower, Tower-B, Office No. 522-526, Sector 47, Gurugram - 122002, Haryana, India.

These Financial Statements are authorized for issue by the Company’s Board of directors on May 23, 2022.

2. Summary of significant accounting policies

2.1 Basis of preparation

The Financial Statements have been prepared to comply in all material aspects with the Indian Accounting Standard (‘Ind AS’) notified under section 133 of the Companies Act, 2013, read together with Companies (Indian Accounting Standards) Rules, 2015 (as amended) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III). The Financial Statements comply with Ind AS notified by Ministry of Company Affairs (MCA).

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the years presented in the said Financial Statements.

The Financial Statements have been prepared on a historical cost basis, except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The preparation of the said Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company’s accounting policies. The areas where estimates are significant to the Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 2.22.

All the amounts included in the Financial Statements are reported in INR lacs and are rounded to the nearest lacs upto two decimal points, except per share data and unless stated otherwise.

The Company has earned net losses of INR 2,203.85 Lacs (March 31, 2022: INR 3,088.50 Lacs) in current year and the Company’s current liabilities exceeded its current assets by INR 1,843.74 Lacs (current assets exceeded current liabilities as at March 31, 2022: INR 202.84 Lacs). The Company has unconditional support from its parent Emami Limited to pay liabilities as and when they fall due, in case of any shortfall. In view of the above, these accounts have been prepared on a “going concern basis” and do not include any adjustments relating to recoverability and classification of recorded asset amounts and the classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2.2 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.



Helios Lifestyle Private Limited

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

CIN-U24297HR2013PTC048437

(All amounts are in INR lacs, unless stated otherwise)

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting year.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting year, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting year. All other assets are classified as non-current.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting year, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting year. The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

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

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



2.4 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The initial cost of PPE comprises purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company recognises kiosks as an asset under PPE as furniture and fixtures. The purchase price of this asset is recognised as cost of establishing a kiosk net of reimbursement, if any, received in the form of security deposit (non-refundable) in nature against the kiosks.

Depreciation on property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

The Company has used the following useful lives to provide depreciation on its PPE.

Particulars	Useful lives estimated by the management
Plant and equipment	5 to 15
Furniture and fixtures	3 to 10
Data processing equipment	3
Office equipment	3 to 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effects of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life.

Subsequent costs are capitalised on the carrying amount or recognised as a separate asset, as appropriate, only when future economic benefits associated with the item are probable to flow to the Company and cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such components separately and depreciates them based on their specific useful lives. All repair and maintenance are charged to statement of profit and loss during the reporting year in which they are incurred.

2.5 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.



Helios Lifestyle Private Limited
Notes to Financial Statements for the year ended March 31, 2023
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Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company amortizes the intangible assets as follows:

Particulars	Useful life estimated by the management
Trademarks	6 to 10
Website	3 to 6
Computer Software	3

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed prospectively. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Ind AS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Patents and trademarks

The Company made upfront payments to purchase patents and trademarks. The patents have been granted for a period of 6 years by the relevant government agency. Trademarks are for the use of brand logo which are granted for periods ranging between 6 and 10 years by the relevant government agency.

Development cost

Development expenditures on a project is recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment, if any, annually.

2.6 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



Helios Lifestyle Private Limited

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

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(All amounts are in INR lacs, unless stated otherwise)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

Impairment losses, if any, of continuing operations are recognised in the statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.7 Leases

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

Where the Company is the lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right of use assets:

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. The useful life of the assets ranges from 1 to 5. Refer note 33 to the Financial Statements for details.

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements, if any, of the lease liability.

Lease liabilities:

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.



Helios Lifestyle Private Limited
Notes to Financial Statements for the year ended March 31, 2023
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Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'other non-current financial liabilities' in the statement of financial position.

The right-of-use assets are also subject to impairment. Refer to the accounting policies Section 2.6 Impairment of non-financial assets.

2.8 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial asset. Purchase and sale of financial assets are accounted for at settlement date.



Helios Lifestyle Private Limited

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

CIN-U24297HR2013PTC048437

(All amounts are in INR lacs, unless stated otherwise)

The Company determines the classification of its financial instruments at initial recognition. Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI) and fair value through profit or loss. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial instruments at amortized cost

A financial instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in other income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category includes cash and bank balances, loans, unbilled revenue, trade and other receivables.



Financial instruments at Fair Value through Other Comprehensive Income ('FVTOCI')

A financial instrument is classified and measured at fair value through OCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payments of principal and interest.

Financial instruments included within the OCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from OCI to statement of profit and loss.

Financial instruments at Fair Value through Profit and Loss ('FVTPL')

Any financial instrument, which does not meet the criteria for categorization at amortized cost or at fair value through other comprehensive income, is classified at fair value through profit and loss. Financial instruments included in the fair value through profit and loss category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition of financial assets

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see note 2.22
- Fair value measurement – see note 37

The Company follows a simplified approach for recognition of impairment loss allowance on trade receivables. The application of a simplified approach does not require the company to track changes in credit risk as the same is sufficient to cover the risk of impairment/credit risk. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss. Impairment analysis is performed at each year end.

ii) Financial liabilities

Initial recognition and measurement

All financial liabilities are recognized initially at fair value. The Company's financial liabilities include trade payables and other payables.

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.



Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. The gain or loss on derecognition is recognised in the statement of profit and loss.

2.10 Inventories

Inventories are valued at lower of cost and net realisable value.

Cost of finished goods include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Cost of packing material and raw material includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

The Company creates provision for slow moving and obsolete inventory by identifying stock available at period end which is expired, nearing expiry date, not in saleable condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

2.11 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company concludes that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 2.22

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, generally on delivery of the goods. The Company assesses its revenue when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, net of returns, discounts, and goods and service tax.

The Company collects Goods and Service Tax (GST) and other taxes on behalf of the government and, therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue.

Sale of goods on return basis

The Company operates with some parties on return basis, where the parties have a right to return the stock unsold at the end of the period. For the goods lying with such parties, provision is created for any unsold stock lying with at customer location which is returnable as per terms of the contract.



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Other operating income:

Income from other operating income, primarily comprises of courier charges, marketing income, franchise fees.

Income from courier charges and marketing income is recognised on accrual basis.

Income from courier charges is of the additional fees charged by the Company from the customers with respect to order fulfilment.

Marketing income pertains to such income which Company earns from regular marketing related support services.

Franchise fees is non-refundable and recognised 100% on receipt which coincides with the terms of contract.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note 2.9 Financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

2.12 Foreign currency transactions

Functional and presentational currency

The Company's Financial Statements are presented in Indian Rupees which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.



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In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

2.13 Employee benefits (retirement & other employee benefits)

Retirement benefit in the form of provident fund is a defined contribution scheme and the Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

The Company operates defined benefit plan for its employees, viz., gratuity. The costs of providing benefits under the plan are determined on the basis of actuarial valuation at each year-end. Actuarial valuation is carried out for using the projected unit credit method. In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula. The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds. The interest income / (expense) are calculated by applying the above-mentioned discount rate to the plan assets and defined benefit obligations liability.

The net interest income / (expense) on the net defined benefit liability is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit liability are recognised directly in the other comprehensive income in the year in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent years and is taken to retained earnings through OCI in the period in which they occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

2.14 Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).



Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Further details are given in note 32.

That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of options, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

No expense is recognised for options that do not ultimately vest because non-market performance and/or service conditions have not been met. Where options include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled option are modified, the minimum expense recognised is the grant date fair value of the unmodified option, provided the original vesting terms of the options are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an option is cancelled by the entity or by the counterparty, any remaining element of the fair value of the option is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.15 Income taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the year are recognised in the balance sheet as income tax assets / liabilities. Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

Current income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relates to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.



b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Financial Statements.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

2.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

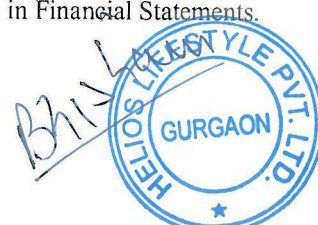
2.18 Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value if the effect of time value of money is not material and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

2.19 Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognize a contingent liability but discloses its existence in Financial Statements.



2.20 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand, funds in transit and short-term deposits with an original maturity of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value).

2.21 Segment reporting policies

Identification of segments – Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement. For details, refer to note 34.

2.22 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

The estimates and judgements used in the preparation of the said Financial Statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the Financial Statements in the year in which they become known.

Other disclosures relating to the Company's exposure to risks and uncertainties includes:

- Capital management – note 36
- Financial risk management objectives and policies – note 39
- Sensitivity analysis disclosures – notes 31 and 39(c)

Judgements

In the process of applying the Company's accounting policies, management has not made any significant judgement, which have the most significant effect on the amounts recognised in the Financial Statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



a. Estimation of provisions

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision. Refer note 7, 8, 20 and 39(b).

b. Defined benefit plans

The costs of post-retirement benefit obligation under the Gratuity plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. For details, refer to note 31.

c. Share based payment

The Company measures costs of equity settled transactions using binomial model to determine the fair value of the option at the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. All assumptions are reviewed at each granting date. For details, refer to note 32.

d. Contingencies

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

e. Leases - Estimating the incremental borrowing rate

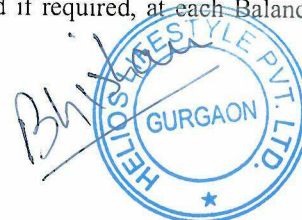
The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

e. Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any years covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

f. Estimation of expected useful lives and residual value of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are depreciated/ amortized at historical cost using straight-line method based on the estimated useful life, taking into account residual value. The asset's residual value and useful life are based on the Company's best estimates and reviewed, and adjusted if required, at each Balance Sheet date. Refer note 2.4, 2.5, 3 and 4b.



2.23 Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 01, 2022. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective.

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022.

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting reporting period beginning on or after April 01, 2022. This amendment has no impact on the Financial Statements of the Company as it did not have onerous contracts within the scope of Ind AS 37 as at the reporting date.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI’s “Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards” with the reference to the “Conceptual Framework for Financial Reporting under Indian Accounting Standard” without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential ‘day 2’ gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

In accordance with the transitional provisions, the Company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the Financial Statements of the Company as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.



(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no impact on the Financial Statements of the Company as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

(iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its Financial Statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022 but do not apply to the Company as it is not a first-time adopter.

(v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

In accordance with the transitional provisions, the Company applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment (the date of initial application). These amendments had no impact on the Financial Statements of the Company as there were no modifications of the Company's financial instruments during the period.

(vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. The amendments had no impact on the Financial Statements of the Company as it did not have assets in scope of IAS 41 as at the reporting date.

2.23 Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's Financial Statements.



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3 Property, plant and equipment

Particulars	Plant and equipment	Furniture and fixtures	Office equipment	Data processing equipment	Total
Gross block					
Cost					
At April 1, 2021	9.47	119.65	19.62	30.08	178.82
Additions (net) *	-	43.32	7.57	24.16	75.05
Disposals	-	-	-	-	-
At March 31, 2022	9.47	162.97	27.19	54.24	253.87
Additions (net) *	-	16.59	3.91	13.41	33.91
Disposals	-	-	-	0.18	0.18
At March 31, 2023	9.47	179.56	31.10	67.47	287.60
Accumulated depreciation					
At April 1, 2021	2.46	52.93	6.57	21.23	83.19
Charge for the year	1.00	38.52	4.42	8.77	52.71
Disposals during the year	-	-	-	-	-
At March 31, 2022	3.46	91.45	10.99	30.00	135.90
Depreciation charge for the year	1.01	30.91	6.14	11.65	49.71
Disposals during the year	-	-	-	0.03	0.03
At March 31, 2023	4.47	122.36	17.13	41.62	185.58
Net Book Value					
At March 31, 2023	5.00	57.20	13.97	25.85	102.02
At March 31, 2022	6.01	71.52	16.20	24.24	117.97

* Furniture and fixtures include kiosks which are reimbursed by the franchisee owners and thus shown as net.

Notes:

- (i) There is no capital work in progress as at March 31, 2023 and March 31, 2022.
(ii) As at March 31, 2023, the Company has pledged property, plant and equipment towards cash credit limit from bank. Refer note 14.

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4a Right-of-use assets

	Amount
Gross Block	
As at April 1, 2021	344.14
Additions	91.77
Disposals	-
As at March 31, 2022	435.91
Additions	210.68
Disposals	124.14
As at March 31, 2023	522.45
Accumulated depreciation	
As at April 1, 2021	107.93
Charge for the year	66.42
Disposals during the year (refer note 33)	0.67
As at March 31, 2022	175.02
Charge for the year	133.49
Disposals during the year (refer note 33)	-
As at March 31, 2023	308.51
Carrying amount	
As at March 31, 2023	213.94
As at March 31, 2022	260.89

4b Intangible asset

	Trade Marks	Computer software	Website	Total
Gross Block				
As at April 1, 2021	7.38	0.46	9.63	17.47
Additions	-	-	-	-
As at March 31, 2022	7.38	0.46	9.63	17.47
Additions	-	-	5.25	5.25
As at March 31, 2023	7.38	0.46	14.88	22.73
Accumulated amortisation				
As at April 1, 2021	1.45	0.44	4.77	6.66
Charge for the year	0.95	0.02	2.41	3.38
As at March 31, 2022	2.40	0.46	7.18	10.04
Charge for the year	0.95	-	1.71	2.66
As at March 31, 2023	3.35	0.46	8.89	12.70
Carrying amount				
As at March 31, 2023	4.03	0.00	5.99	10.02
As at March 31, 2022	4.97	0.00	2.45	7.44

Intangible assets under development

	Computer Software	Total
As at April 01, 2021		
Additions during the year	3.63	3.63
Capitalization during the year	3.64	3.64
As at March 31, 2022	7.27	7.27
Additions during the year	-	-
Written off during the year	(7.27)	(7.27)
As at March 31, 2023	-	-

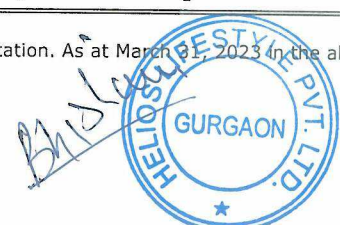
Intangible under development ageing schedule

Particulars	Ageing as at 31 March, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Intangible under development ageing schedule

Particulars	Ageing as at 31 March, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.64	3.63	-	-	7.27
Projects temporarily suspended	-	-	-	-	-
	3.64	3.63	-	-	7.27

As at March 31, 2022 intangibles under development includes ERP which was pending implementation. As at March 31, 2023 in the absence of utility of this, it has been written off.



5 Other financial assets

	As at March 31, 2023	As at March 31, 2022
Financial Assets carried at amortised cost		
Non Current (Unsecured, considered good)		
Security deposits	57.61	15.41
Fixed deposit having maturity more than 12 months *	229.06	-
Accrued interest	10.13	-
	296.80	15.41
Current (Unsecured, considered good)		
Security deposits	171.59	97.94
Accrued interest	-	37.25
	171.59	135.19
Total	468.39	150.60
Total current	171.59	135.19
Total non-current	296.80	15.41

* includes deposits pledged against bank guarantees (refer note 41 B)

6 Deferred tax assets (net)

	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (net)	161.96	129.81
Total	161.96	129.81

Year ended March 31, 2023	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax relates to the following				
Property, plant and equipment	12.46	5.07	-	17.53
Provision for Gratuity	16.79	7.82	(5.76)	18.85
Provision for Leave encashment	5.76	2.14	-	7.90
Provision for Inventory	8.75	7.28	-	16.03
Provision for bad and doubtful debt	77.53	17.85	-	95.38
Fair value of security deposit	0.92	1.48	-	2.40
Provision for Lease Liability	75.44	(15.94)	-	59.51
Right of use Asset	(67.84)	12.21	-	(55.63)
Net Deferred tax assets/ (liabilities)	129.81	37.92	(5.76)	161.96

Year ended March 31, 2022	Opening Balance	Recognised in Profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax relates to the following				
Property, plant and equipment	7.01	5.45	-	12.46
Provision for Gratuity	7.35	5.75	3.69	16.79
Provision for Leave encashment	-	5.76	-	5.76
Provision for ESOP	6.03	(6.03)	-	-
Provision for Inventory	-	8.75	-	8.75
Provision for bad and doubtful debt	45.82	31.71	-	77.53
Security Deposit	0.74	0.18	-	0.92
Provision for Lease Liability	58.66	16.78	-	75.44
Right of use Asset	(54.05)	(13.79)	-	(67.84)
Others	9.65	(9.65)	-	-
Net Deferred tax assets/ (liabilities)	81.21	44.91	3.69	129.81

7 Inventories

	As at March 31, 2023	As at March 31, 2022
Finished goods (at lower of cost and net realisable value)	943.25	745.85
Raw material & packing material (at cost)	114.41	117.93
Goods in transit	44.08	42.15
	1,101.74	905.93
(Less): Provision for inventories	(61.67)	(33.65)
	1,040.07	872.28

Note:

- (i) Method of valuation of inventories has been stated in note 2.10
(ii) The Company has pledged inventories towards a cash credit limit. Refer note 14.



8 Trade receivables

Details of trade receivables is as follows:

	As at March 31, 2023	As at March 31, 2022
Trade receivables *	884.64	662.07
	884.64	662.07

* Includes balance receivable from related party NIL (March 31, 2022: INR 1.53 Lacs)

Break-up for security details :

	As at March 31, 2023	As at March 31, 2022
Trade receivables		
Unsecured, considered good	884.64	662.07
Trade receivables - credit impaired	366.83	298.18
	1,251.47	960.25
Impairment allowance (allowance for bad and doubtful debts)		
Trade receivables - credit impaired	(366.83)	(298.18)
	884.64	662.07

Movement in expected credit loss allowance

	As at March 31, 2023	As at March 31, 2022
Balances at the beginning of the year	(298.18)	(200.29)
Additions during the year	(68.65)	(97.89)
Balances at the end of the year	(366.83)	(298.18)

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payments						Total
	Current, but not due	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	-	833.24	51.40	-	-	-	884.64
(ii) Undisputed Trade Receivables - credit impaired	-	49.99	51.39	84.11	33.75	147.59	366.83
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	-	883.23	102.79	84.11	33.75	147.59	1,251.47

Particulars	Outstanding for following periods from due date of payments						Total
	Current, but not due	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	-	643.59	18.48	-	-	-	662.07
(ii) Undisputed Trade Receivables - credit impaired	-	67.70	18.48	62.40	63.74	85.86	298.18
(iii) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	-	711.29	36.96	62.40	63.74	85.86	960.25

Notes:

For terms and conditions relating to related party receivables, refer note 35.

(i) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

(ii) No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

(iii) There are no unbilled receivables.

(iv) The Company has pledged trade receivables towards cash credit limit. Refer note 14.

9A Cash and cash equivalents

i) Cash and cash equivalents

	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.99	1.75
Balances with banks:		
- On current account	12.13	145.90
- Deposits with original maturity of less than three months	52.50	-
Fund in transit*	42.26	40.48
Total	107.88	188.13

*Fund in transit includes cash at Exclusive Brand Outlets (EBO).



For the purpose of the statement of cash flow, cash and cash equivalents comprise the following:

	As at March 31, 2023	As at March 31, 2022
Cash on hand	0.99	1.75
Balances with banks:		
- On current account	12.13	145.90
- Deposits with original maturity of less than three months	52.50	-
Fund in transit	42.26	40.48
Total	107.88	188.13

ii) Other bank balances

	As at March 31, 2023	As at March 31, 2022
Deposits with remaining maturity of more than 3 months but less than twelve months*	-	1,125.00
	-	1,125.00

*Short-term deposits are made for varying periods of between eight and twelve months depending on the cash requirements of the company. Company also earns an interest on these short-term deposits at the rate ranging from 3.00% to 5.55%.

9B Changes in liabilities arising from financing activities

For the year ended March 31, 2023

Particulars	March 31, 2022	Cash flows	Other non cash adjustments				March 31, 2023
			Adjustment on account of conversion of borrowing into equity	Addition in lease liabilities	Lease Liability written back during the year	Accretion of interest	
Borrowings	400.00	286.88	(400.00)	-	-	-	286.88
Lease liabilities	290.16	(139.60)	-	198.17	(153.74)	33.88	228.88
Total liabilities from financing activities	690.16	147.28	(400.00)	198.17	(153.74)	33.88	515.76

For the year ended March 31, 2022

Particulars	March 31, 2021	Cash flows	Other non cash adjustments				March 31, 2022
			Adjustment on account of conversion of borrowing into equity	Addition in lease liabilities	Lease Liability written back during the year	Accretion of interest	
Borrowings	808.77	(195.00)	(213.77)	-	-	-	400.00
Lease liabilities	256.34	(77.06)	-	90.57	(0.72)	21.03	290.16
Total liabilities from financing activities	1,065.11	(272.06)	(213.77)	90.57	(0.72)	21.03	690.16

10 Current tax assets

	As at March 31, 2023	As at March 31, 2022
Tax deducted at source receivable	44.79	51.43
	44.79	51.43

11 Other current assets

	As at March 31, 2023	As at March 31, 2022
Balance with government authorities	46.33	125.04
Advance to vendors	31.91	35.40
Prepaid expenses	14.85	34.97
Amount recoverable from franchisee	2.51	-
Capital advance	-	3.25
Advance to employees	3.56	9.05
	99.16	207.71

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12 Equity share capital

(a) Details of share capital is as follows:

Equity share capital

Authorised

300,000 (March 31, 2022: 300,000) equity shares of INR 10 each (March 31, 2022: INR 10 each)

30.00

30.00

Issued, subscribed and fully paid up

269,303 (March 31, 2022: 264,664) equity shares of INR 10 each fully paid up (March 31, 2022: INR 10 each fully paid up)

26.93

26.47

26.93

26.47

(b) Reconciliation of authorised, issued and subscribed share capital:

(i) Reconciliation of authorised share capital as at year end :

Equity shares

At April 01, 2021

Increase during the year

At March 31, 2022

Increase during the year

At March 31, 2023

No. in lacs	Amount
2.50	25.00
0.50	5.00
3.00	30.00
-	-
3.00	30.00

(ii) Reconciliation of issued, subscribed and fully paid-up share capital as at year end :

Equity shares

At April 01, 2021

Issued during the year

At March 31, 2022

Issued during the year *

At March 31, 2023

No. in lacs	Amount
2.13	21.27
0.52	5.20
2.65	26.47
0.04	0.46
2.69	26.93

* The company on July 1, 2022 issued 4,639 equity shares to Emami Limited for conversion of borrowings including interest thereon into equity share capital. As a result of this event Emami Limited has become holding enterprise of the the company from the said date.

(c) Rights/terms attached to Equity Shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shareholders holding more than 5% shares in the company

Name of shareholder (Equity shares of INR 10 each)	As at March 31, 2023		As at March 31, 2022	
	No. in lacs	% holding in the equity shares	No. in lacs	% holding in the equity shares
Emami Limited	1.36	50.52%	1.31	49.53%
Parvesh Kumar	0.39	14.54%	0.39	14.76%
Hitesh Dhingra	0.38	14.19%	0.38	14.40%
Bhisham Bhateja	0.19	7.21%	0.19	7.32%

As per the records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

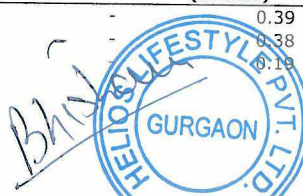
(e) Details of promoter's shareholding in the company

As at March 31, 2023

Shareholding of promoters (Equity shares of INR 10 each)	No. of shares at the beginning of the year (in lacs)	Change during the year	No. of shares at the end of the year (in lacs)	% of Total Shares as at March 31, 2023	% change during the year
Parvesh Kumar	0.39	-	0.39	14.54%	-0.22%
Hitesh Dhingra	0.38	-	0.38	14.19%	-0.21%
Bhisham Bhateja	0.19	-	0.19	7.21%	-0.11%

As at March 31, 2022

Shareholding of promoters (Equity shares of INR 10 each)	No. of shares at the beginning of the year (in lacs)	Change during the year	No. of shares at the end of the year (in lacs)	% of Total Shares as at March 31, 2022	% change during the year
Parvesh Kumar	0.39	-	0.39	14.76%	-3.61%
Hitesh Dhingra	0.38	-	0.38	14.40%	-3.52%
Bhisham Bhateja	0.19	-	0.19	7.32%	-1.79%



13 Other equity

	As at March 31, 2023	As at March 31, 2022
Retained earnings (refer (i))	(9,298.83)	(7,111.37)
Securities Premium (refer (ii))	7,891.87	7,446.24
Share based payment reserve (refer (iii))	139.50	99.30
	(1,267.45)	434.17

(i) Retained earnings

At April 1, 2021

Add: Loss for the year

Add: Other comprehensive loss for the year, net of tax

At March 31, 2022

Add: Loss for the year

Add: Other comprehensive income for the year, net of tax

At March 31, 2023

Amount
(4,012.39)
(3,088.50)
(10.49)
(7,111.37)
(2,203.85)
16.40
(9,298.83)

(ii) Securities Premium

At April 1, 2021

Add:- Issuance of share capital

At March 31, 2022

Add:- Issuance of share capital

At March 31, 2023

Amount
2,451.44
4,994.80
7,446.24
445.63
7,891.87

(iii) Share based payment reserve

At April 1, 2021

Add: Employee stock options granted during the year

(Less): Exercise of shares options

At March 31, 2022

Add: Compensation options granted during the year

(Less): Exercise of shares options

At March 31, 2023

Amount
26.38
72.92
-
99.30
40.20
-
139.50

Nature and Purpose of reserves

a) Retained Earnings

Retained earnings are the losses that the Company has incurred till date.

b) Securities Premium

Securities premium represents the amount received in excess of par value of equity shares. Section 52 of Companies Act, 2013 specifies restriction and utilisation of security premium.

c) Share based payment reserve

The share options-based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan. The Company has one share option scheme under which options to subscribe for the Company's shares have been granted to certain executives and senior employees.

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14 Borrowings

	As at March 31, 2023	As at March 31, 2022
Current		
Unsecured		
Loan from Holding Company * (refer note 35)	-	400.00
Total	-	400.00
Secured		
Cash credit **	286.88	
Total	286.88	-
Total	286.88	400.00
Total current	286.88	400.00
Total non- current	-	-

Notes:

* Loan from Emami Limited (Holding company) carries interest rate at 12% pa (March 31, 2022: at 12% pa) and is repayable on demand. In accordance with the loan agreement, the Company has converted the loan into 4,639 equity shares during the year.

** Cash Credit

i) The Company has received sanction of the Cash Credit (including Working Capital Demand Loan) from the ICICI Bank Ltd. during the financial year amounting to INR 1600 Lacs. The limit is bifurcated into INR 1000 Lacs fund based Cash Credit, INR 500 Lacs non fund based bank guarantee/ letter of credit and INR 100 Lacs derivative loan.

ii) Cash Credit from Bank is secured by hypothecation of trade receivables, inventories and property, plant and equipment.

iii) Cash Credit is repayable within 120 days & carries interest of Repo Rate + 3.5% spread (March 31, 2022 : Interest rate N/A)

iv) Borrowings from banks has not been used for the purpose other than for which it was taken as at March 31, 2023 and March 31, 2022.

v) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender as at and for the year ended March 31, 2023.

15 Other Financial liabilities

	As at March 31, 2023	As at March 31, 2022
Current		
At Amortised Cost		
Security deposits	250.79	147.62
Employee benefits payable	165.86	176.65
Interest payable	1.48	35.03
Capital creditors	-	12.73
Other payables *	9.77	18.85
Total	427.90	390.88
Total	427.90	390.88
Total current	427.90	390.88
Total non- current	-	-

*Includes reimbursement payable to employees

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Helios Lifestyle Private Limited
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16 Provisions

	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
Non-current		
Provision for gratuity (Refer Note No 31)	39.33	55.33
Provision for leave encashment	17.85	18.25
Total	57.18	73.58
Current		
Provision for gratuity (Refer Note No 31)	33.16	9.24
Provision for leave encashment	12.53	3.89
Total	45.69	13.13
Total	102.87	86.71
Total current	45.69	13.13
Total non- current	57.18	73.58

17 Trade payables

	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
Total outstanding dues of micro enterprises and small enterprises [Refer note (a) below]	268.53	75.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,920.82	1,865.68
	3,189.35	1,941.10
Trade payables	3,189.35	1,416.89
Trade payables to related parties (refer note 35C)	-	524.21
	3,189.35	1,941.10

- (i) Trade payables are non-interest bearing and are normally settled on 30-90 day terms.
(ii) Refer note 35C for trade payables to related parties.
(iii) The amount due to micro & small enterprises as defined in the "The Micro & Small Enterprises Development Act, 2006" ("MSMED") has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to the micro & small enterprises are as follows:

a) Disclosure required under Clause 22 of Micro and Small Enterprise Development ('MSMED') Act, 2006

	<u>As at</u> <u>March 31, 2023</u>	<u>As at</u> <u>March 31, 2022</u>
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year		
Principal amount due to micro and small enterprise	252.53	73.42
Interest due on above	16.00	2.00
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-



(iv) Trade payables ageing schedule
As at March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	16.00	251.53	1.00	-	-	268.53
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	540.38	2,256.84	88.05	13.55	22.00	2,920.82
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	556.38	2,508.37	89.05	13.55	22.00	3,189.35

As at March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
(i) Total outstanding dues of micro enterprises and small enterprises	2.00	75.42	-	-	-	77.42
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	341.81	1,497.55	11.03	8.14	5.09	1,863.62
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	343.81	1,572.97	11.03	8.14	5.09	1,941.04

18 Contract liability

	As at March 31, 2023	As at March 31, 2022
Advance from Customer	63.43	137.24
Total	63.43	137.24

19 Other current liabilities

	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	74.11	73.88
Total	74.11	73.88

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20 Revenue from contracts with customers

(a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Type of goods or service		
Sale of products	11,221.92	7,072.99
Total revenue from contracts with customers (A)	11,221.92	7,072.99
Reconciliation of sale of products:		
Finished Goods	12,090.76	8,017.60
Packing material/ raw material	533.47	596.79
Less: Sales return provision	-	(44.48)
Less: Schemes & Discount	(868.84)	(900.13)
Sale of products (net)	11,755.39	7,669.78
Less: Sale of packing material/ raw material	(533.47)	(596.79)
Total	11,221.92	7,072.99
Timing of revenue recognition		
Goods transferred at a point in time	11,221.92	7,072.99
Total revenue from contracts with customers	11,221.92	7,072.99

(b) Contract balances

	For the year ended March 31, 2023	For the year ended March 31, 2022
Trade receivables (refer note 8)	884.64	662.07
Contract liabilities (refer note 18)	63.43	137.24

Changes in contract liability are as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	137.24	74.28
Performance obligations satisfied in previous years	(137.24)	(74.28)
Addition in contract liabilities during the year	63.43	137.24
Balance at the end of the year	63.43	137.24

(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue as per contracted price	12,090.76	8,017.60
Less: Sales return provision	-	(44.48)
Less: Schemes & Discount	(868.84)	(900.13)
Revenue from contracts with customers	11,221.92	7,072.99

(d) Other operating revenue

	For the year ended March 31, 2023	For the year ended March 31, 2022
Courier Charges	173.47	130.50
Marketing & Sales Promotion	104.35	101.83
Other Income	-	56.19
Total other operating revenue (B)	277.82	288.52
Total revenue from contracts with customers (A + B)	11,499.74	7,361.51



(e) Performance Obligation

Sale of products

The performance obligation is satisfied upon delivery of goods based on contractual terms and payment is generally due within 30 to 90 days.

Other operating income:

Income from other operating income, primarily comprising of courier charges, marketing income, franchise fees. Performance obligation is satisfied for courier charges and marketing income on completion of service.

Franchise fees is non refundable and recognised 100% on receipt which coincides with the terms of contract.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2023 are, as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
	INR lacs	INR lacs
Within one year	63.43	137.24
More than one year	-	-
	63.43	137.24

21 Other income

Other non-operating income

Interest income from financial assets at amortised cost:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Fixed deposits	20.90	58.67
Interest income on security deposits	3.97	0.82
Interest income on Income tax refund	2.50	-
Fair value gain on financial instruments at fair value through profit and loss	3.47	11.83
Foreign exchange fluctuations gain (net)	1.82	0.01
Gain on derecognition of right of use assets and lease liabilities (net)	29.60	-
Liability written back	-	0.01
Miscellaneous income	9.51	9.85
	71.77	81.19

22 Purchases of packing material and traded goods

	For the year ended March 31, 2023	For the year ended March 31, 2022
Finished goods	4,622.54	3,079.06
Packing material/ raw material (net)	355.46	446.48
Goods in transit	1.92	42.15
	4,979.92	3,567.69

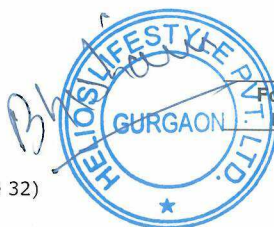
23 Changes in inventories of finished goods, raw material and packing material

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance		
Finished Goods	745.85	417.93
Raw Materials & Packing Materials	117.93	77.69
Goods In Transit	42.15	-
Total opening balance (A)	905.93	495.62
Closing balance		
Finished Goods	943.25	745.85
Raw Materials & Packing Materials	114.41	117.93
Goods In Transit	44.08	42.15
Total closing balance (B)	1,101.74	905.93
Change in inventory (A-B) *	(195.79)	(410.31)

*Change in inventory includes consumption on account of normal losses.

24 Employee benefits expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,901.95	1,400.23
Contribution to provident and other funds	96.20	82.10
Expense on employee stock option scheme (ESOP) (refer note 32)	40.20	72.92
Gratuity Expense (refer note 31)	30.07	18.26
Staff welfare expenses	54.33	54.06
	2,122.75	1,627.57



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25 Finance costs

	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest costs :		
-Interest on financial liabilities carried at amortised cost - borrowings	13.77	69.03
-Interest on lease liability	33.89	21.04
-Interest on late payment to MSMED vendors	14.00	2.00
-Others	-	0.30
Bank Charges	19.96	9.71
	81.62	102.08

26 Depreciation and amortisation expense

	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property plant and equipments (refer note 3)	49.71	52.71
Amortisation on intangible assets (refer note 4b)	2.66	3.38
Depreciation on Right-of-use assets (note note 4a)	133.49	66.42
	185.86	122.51

27 Other expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Advertising and sales promotion expenses	2,383.51	2,835.43
Freight cartage and other distribution cost	1,592.82	996.97
Legal and professional charges	98.03	99.82
Travelling and conveyance	165.83	106.66
Technology cost	175.59	137.86
Rent	375.23	138.61
Commission on sales	1,371.70	653.40
Communication expenses	13.52	9.10
Consumables	164.23	150.68
Insurance	7.50	5.11
Payments to auditors (see note (i) below)	21.50	21.20
Power and fuel	25.99	10.97
Rates & taxes	50.20	30.83
Product Development Expenses	13.63	14.46
Repair & maintenance		
- building	40.92	20.44
- others	26.14	13.88
Inventory scrapped and written off during the year (refer note 45)	-	204.16
Provision for bad and doubtful debt	68.66	97.89
Provision for inventory	28.01	8.06
Intangible Asséts written off	5.09	-
Miscellaneous expenses	10.82	11.02
Total	6,638.92	5,566.55

Note (i)

Audit Fees	20.00	20.00
Others	1.50	1.20
	21.50	21.20

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28 Components of Other Comprehensive Income (OCI)

During the year ended March 31, 2023

Particulars	Retained earnings INR lacs	Total INR lacs
Re-measurement gains on defined benefit plans	22.16	22.16
	22.16	22.16

During the year ended March 31, 2022

Particulars	Retained earnings INR lacs	Total INR lacs
Re-measurement (losses) on defined benefit plans	(14.18)	(14.18)
	(14.18)	(14.18)

29 Loss per equity shares

Basic loss per equity share has been computed by dividing net loss attributable to equity holders by the weighted average number of equity shares outstanding for the year.

Diluted loss per equity share has been computed by dividing the loss attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

	Units	For the year ended March 31, 2023	For the year ended March 31, 2022
Net loss after tax attributable to Equity Shareholders	(INR lacs)	(2,203.85)	(3,088.50)
Number of Shares considered as weighted average shares for calculation of Basic Earnings Per Share	No. in lacs	2.68	2.52
Number of Shares considered as weighted average shares for calculation of Diluted Earnings Per Share	No. in lacs	2.68	2.52
Nominal value of equity shares	INR	10	10
Basic loss per share	INR	(821.88)	(1,224.97)
Diluted loss per share*	INR	(821.88)	(1,224.97)

*There are potential equity shares as on March 31, 2023 and March 31, 2022 in form of employee stock option. As these are anti-dilutive, they are ignored in the calculation of diluted loss per share and accordingly, the diluted loss per share is same as basic loss per share.

There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

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30 Income taxes

30.1 Income tax recognised in profit and loss section

Current tax:

Current tax on loss for the year

Total current tax

Deferred tax:

Origination and reversal of temporary differences (refer note 6)

Total deferred tax

Total tax expense recognised in statement of profit and loss

The Income tax expense for the year can be reconciled to the accounting profit as follows:

Loss before tax

30.2 Income tax recognised in other comprehensive income section

Items that will not be reclassified to profit or loss

-Remeasurement of defined benefit plan

Total income tax expense recognised in other comprehensive income

The Income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loss before tax	(2,241.77)	(3,133.41)
Statutory income tax rate	26%	26%
Tax at statutory income tax rate	(582.86)	(814.69)
Losses on which deferred tax not recognised	582.86	814.69
Amounts on which deferred tax recognised	(37.92)	(44.91)
Income tax expense recognised in statement of profit and loss	(37.92)	(44.91)

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31 Employee Benefits

A. Defined Contribution Plans

The Company makes contributions towards provident fund which are defined contribution plans for qualifying employees. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 79.47 lacs (March 31, 2022: INR 65.55 lacs).

B. Defined Benefit Plans

Gratuity:

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days basic salary last drawn for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The following tables summarise the components of net benefit expense recognised in the statement of profits or losses and amounts recognised in the balance sheet for the respective plans:

Movement in obligation

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of obligation at beginning of the year		
Interest cost	64.57	32.13
Current service cost	3.49	2.06
Actuarial loss on obligation		
- Economic assumptions	(6.60)	28.80
- Demographic assumptions	(6.45)	(19.90)
- Experience adjustment	(9.11)	5.28
Benefits paid	-	-
Present value of obligation at the closing of the year	72.49	64.57

Balance Sheet

	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of defined benefit obligation	72.49	64.57
Fair value of plan assets	-	-
Present value of defined benefit obligation (net)	72.49	64.57
Current	33.16	9.24
Non Current	39.33	55.33

Expenses recognised in Statement of profit and loss

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	26.59	16.20
Interest cost on benefit obligation	3.49	2.06
Net benefit expense	30.08	18.26

Expenses recognised in Statement of other comprehensive income

	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (gains) / losses		
- change in financial assumptions	(6.60)	28.80
- change in demographic assumptions	(6.45)	(19.90)
- experience variance (i.e. Actual experience vs assumptions)	(9.11)	5.28
	(22.16)	14.18



The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.15%	5.40%
Future salary increase	10.00%	10.00%
Average expected future working life (years)	35.79	36.97
Expected rate of return on plan asset	-	-
Retirement age (years)	65 Years	65 Years
Mortality rates inclusive of provision for disability*	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate (per annum)		
- Corporate	40.00%	20.00%
- BA	40.00%	40.00%
- Warehouse	0.00%	50.00%

*Indian Assured Lives Mortality (2012-14) Ultimate represents published mortality table used for mortality assumption.

A quantitative sensitivity analysis for significant assumption is as shown below:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Impact of the change in discount rate		
a) Impact due to increase of 1.0 %	60.40	61.21
b) Impact due to decrease of 1.0 %	63.56	68.29
Impact of the change in salary growth rate		
a) Impact due to increase of 1.0 %	63.01	67.14
b) Impact due to decrease of 1.0 %	60.91	62.14
Impact of the change in attrition rates increase		
a) Impact due to increase of 50.0 %	57.71	57.56
b) Impact due to decrease of 50.0 %	68.39	80.64
Impact of the change in mortality rate		
a) Impact due to increase of 10.0 %	61.95	64.58
b) Impact due to decrease of 10.0 %	61.94	64.57

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year. These analysis are based on a change in a significant assumption, keeping all other assumptions constant and may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

The following payments are expected contributions to the defined benefit obligation in future years:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Year 1	33.16	9.24
Year 2 to 5	43.00	36.05
Year 6 to 10	8.95	25.29
More than 10 years	1.09	20.09
Total expected payments	86.20	90.67

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32 Information regarding Employee Stock Option Scheme :

- 1) Date of Shareholders' approval June 30, 2017
- 2) Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan :
- The Helios Lifestyle Private Limited Employee Stock Option Scheme 2017 (hereinafter referred to "ESOP 2017") envisages a total grant of Options up to maximum limit not exceeding 5,233 Equity shares of the Company from time to time, subject to various terms and conditions as prescribed by the Board of Directors of the Company and / or Compensation Committee from time to time.
 - The vesting period for conversion of options upto 4 years as defined in their grant letters.
 - The Company granted 895 Options during 2022-23 to the eligible employees of the Company.
 - The exercise price of the options granted under ESOP 2017 has been determined as INR 10 as decided by the Board of the Company.

3) Maximum term of Options granted 4 years from the date of grant

4) Method used for accounting of share-based payments plans
The employee compensation cost has been calculated using the fair value method of accounting for options issued under the Company's Employee Stock options Schemes. The employee compensation cost as per fair value method for the year ended March 31, 2023 is INR 40.20 Lacs (March 31, 2022:- INR 72.92 Lacs)

5) Summary of the status of Options :

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of options	Weighted Average Exercise Prices	No. of options	Weighted Average Exercise Prices
Outstanding at the beginning of the year	3,023	10.00	1,514	10.00
Add: Granted during the year	895	10.00	2,258	10.00
Less: Lapsed during the year	(998)	10.00	(749)	10.00
Less: Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,920	10.00	3,023	10.00
Options exercisable at the end of the year	1,150	10.00	327	10.00

6) A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted. The significant assumptions used to ascertain the above.

The fair value of each Option is estimated using the Black Scholes Option Pricing model.
Weighted average exercise price per Option : INR 10 (March 31, 2022: INR 10)
Weighted average fair value per Option : INR 6,778.60 (March 31, 2022: INR 6,472.21)

The fair value of each Option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:

- (i) Risk-free interest rate 7.30%
- (ii) Expected life: 4 years
- (iii) Expected volatility: 28.21%
- (iv) Expected dividends: 0%

7) Exercise period 1 year from respective date of vesting

8) Impact on statement of profit and loss account

Particulars	Amount
For the year ended March 31, 2023	
Expense on grant of options	81.68
Reversal on account of lapse	(41.48)
Impact in profit and loss account	40.20
For the year ended March 31, 2022	
Expense on grant of options	86.81
Reversal on account of lapse	(14.05)
Impact in profit and loss account	72.76



33 Leases

Company as a Lessee

Particulars	As at March 31, 2023	As at March 31, 2022
Assets		
Right of use assets (Refer Note 4a)	213.94	260.89
Liabilities		
Lease Liabilities	228.87	290.16

There is no material impact on other comprehensive income or the basic and diluted earning per share. The Company has lease contracts for Warehouse and office spaces used in its operations. These generally have lease terms between 1 to 6 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	260.89	236.21
Addition during the year	210.68	91.77
Depreciation for the year	(133.49)	(66.42)
Disposals during the year	(124.14)	(0.67)
Balance at the end of the year	213.94	260.89

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	290.16	256.33
Addition during the year	198.17	90.57
Accretion of interest	33.88	21.04
Payments	(139.60)	(77.06)
Derecognition	(153.74)	(0.72)
Balance at the end of the year	228.87	290.16
Current	104.52	82.74
Non Current	124.35	207.42

The effective interest rate for lease liabilities is 10% in FY22-23 additions (March 31, 2022: 8%).

The following are the amounts recognised in statement of profit and loss:

	As at March 31, 2023	As at March 31, 2022
Depreciation on right-of used assets	133.49	66.42
Interest on lease liabilities	33.89	21.04
Expense relating to short term and low value asset leases	375.23	137.18
Total amount recognised in Statement of Profit and Loss	542.61	224.64

Impact on Statement of Cash Flows

Particulars	As at March 31, 2023	As at March 31, 2022
Payment of principal portion of lease liabilities	105.71	56.01
Payment of Interest portion of lease liabilities	33.89	21.04
Net Cash flows used in financial activities	139.60	77.05

Maturity analysis of lease liabilities are as follows:

	As at March 31, 2023	As at March 31, 2022
1 year	122.47	103.05
2-5 years	132.84	226.66
5 years and above	-	-



34 Segment information

- A. Basis for segmentation
The Company operates in single business segment i.e. Cosmetics Products which is considered to be the only Reportable segment in terms of Ind AS 108.
- B. Geographic Information
The Company operates only in one country and does not have any separate identifiable geographic segment.
- C. Major customer
No single customer accounted for 10% or more of the Company's revenue for the year ended March 31, 2023 and March 31, 2022.

35 Related Party Disclosures (Ind AS 24)

A. List of related parties

Related party relationship	Name of related party
Key management personnel (KMP)	Bhisham Bhateja (Director) Hitesh Dhingra (Director)
Promoters of the company	Parvesh Kumar Bhisham Bhateja (Director) Hitesh Dhingra (Director)
Holding Company to which the Company is a Subsidiary (till June'22, the company was an Associate to the Investing Company)	Emami Limited
Enterprises where the Company's promoters have significant influence	Helios Packaging Private Limited (till March 31, 2022)

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B. Transactions during the year

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
I. With related parties other than II below:		
a. Purchase of products		
Helios Packaging Private Limited		1,665.79
Total	-	1,665.79
b. Rent Paid		
Helios Packaging Private Limited	-	15.12
Total	-	15.12
c. Reimbursement made		
Emami Limited	-	17.65
Total	-	17.65
d. Issue of Share Capital		
Emami Limited	0.46	5.20
Total	0.46	5.20
e. Share Premium received		
Emami Limited	445.63	4,994.80
Total	445.63	4,994.80
f. Loan Repayment		
Emami Limited *	433.80	150.00
Parvesh Kumar	-	50.00
Total	433.80	200.00
g. Finance Cost- Interest on loan		
Emami Limited	12.29	50.31
Parvesh Kumar	-	5.03
Total	12.29	55.34
h. Sale of Products		
Emami Limited	0.16	-
Total	0.16	-
i. Freight expenses		
Helios Packaging Private Limited	-	10.77
Total	-	10.77
* this is repaid by way of conversion of loan to equity. (Refer note 12)		
II. With key management personnel (KMP)		
a. Sale of products		
Bhisham Bhateja	0.39	0.28
Hitesh Dhingra	0.10	-
Total	0.39	0.28
b. Remuneration paid		
Bhisham Bhateja	93.85	89.76
Hitesh Dhingra	93.85	89.76
Total	187.70	179.52
c. Reimbursement made		
Bhisham Bhateja	9.65	-
Hitesh Dhingra	10.42	-
Total	20.07	-
d. Loan Repayment		
Hitesh Dhingra	-	145.00
Total	-	145.00
e. Finance Cost- Interest on loan		
Hitesh Dhingra	-	5.26
Total	-	5.26

Note

The remuneration to the key management personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole. Also, it does not include provision for incentives, payable on the basis of actual performance parameters, in next year.



C. Balances outstanding at the year end

Particulars	As at March 31, 2023	As at March 31, 2022
I. With other related parties:		
a. Trade Payables		
Helios Packaging Private Limited	-	524.21
Total	-	524.21
b. Trade Receivables		
Parvesh Kumar	-	1.53
Total	-	1.53
c. Unsecured loan		
Emami Limited	-	400.00
Total	-	400.00
d. Other Payables		
Interest Payable- Emami Limited	-	35.03
Total	-	35.03
e. Advance From Customers		
Emami Limited	-	0.60
Total	-	0.60
II. With key management personnel (KMP)		
a. Other Payables		
Director remuneration-Bhisham Bhateja	15.98	16.02
Director remuneration-Hitesh Dhingra	15.84	16.04
Reimbursement-Hitesh Dhingra	-	0.52
Total	31.82	32.58
b. Other Receivables		
Reimbursement -Bhisham Bhateja	-	0.61
Total	-	0.61

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36 Capital Management

For the purpose of Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing borrowings, trade and other payables, less cash and cash equivalents.

	As at March 31, 2023	As at March 31, 2022
Lease liability	228.87	290.16
Borrowings	286.88	400.00
Trade Payables	3,189.36	1,941.10
Other financial liabilities	427.90	390.88
Less: cash and cash equivalents	(107.88)	(188.13)
Net debts	4,025.13	2,834.01
Equity share capital	26.93	26.47
Other equity	(1,267.45)	434.17
Total capital	(1,240.52)	460.64
Capital and net debt	2,784.61	3,294.65
Gearing ratio (%)	144.55%	86.02%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing borrowings that define capital structure requirements. There have been no breaches in the financial covenants of any interest-bearing borrowings in the current period.

37 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, including those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying value		Fair value	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Financial assets (at amortised cost)				
Trade receivables	884.64	662.07	-	-
Cash and cash equivalents	107.88	188.13	-	-
Other bank Balance	-	1,125.00	-	-
Other financial assets	171.59	135.19	-	-
Total	1,164.11	2,110.39	-	-
Financial liabilities (at amortised cost)				
Lease liability	228.87	290.16	-	-
Loans	286.88	400.00	-	-
Trade payables	3,189.36	1,941.10	-	-
Other financial liabilities	427.90	390.88	-	-
Total	4,133.01	3,022.15	-	-

Management has assessed that all financial assets and financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



38 Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: This level of hierarchy includes financial assets that are measured using inputs, other than quoted prices included within level 1, that are observable for such items, directly or indirectly.

Level 3: This level of hierarchy includes items measured using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data.

Specific valuation techniques used to value financial instruments is discounted cash flow analysis.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Fair value measurement hierarchy for assets as at March 31, 2023:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value				
Assets at fair value through amortized cost (Security Deposit)	57.61	-	-	57.61
Assets at fair value through other comprehensive income	-	-	-	-
Assets at fair value through profit or loss	-	-	-	-
	57.61	-	-	57.61
Financial liabilities measured at Fair value				
Liabilities at fair value through other comprehensive income	-	-	-	-
Liabilities at fair value through profit or loss	-	-	-	-
	-	-	-	-

Fair value measurement hierarchy for assets as at March 31, 2022:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value				
Assets at fair value through amortized cost (Security Deposit)	15.41	-	-	15.41
Assets at fair value through other comprehensive income	-	-	-	-
Assets at fair value through profit or loss	-	-	-	-
	15.41	-	-	15.41
Financial liabilities measured at Fair value				
Liabilities at fair value through other comprehensive income	-	-	-	-
Liabilities at fair value through profit or loss	-	-	-	-
	-	-	-	-

There has been no transfers between level 1, level 2 and level 3 during the year ended March 31, 2023 and March 31, 2022.

Discount rate used in determining fair value

The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

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39 Financial Risk Management Objectives and Policies

Risk management objectives

Risk management framework

The Company has exposure to the following risks arising from financial instruments:

- Liquidity risk;
- Credit rate risk; and
- Market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Company, through its training, standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

a) Liquidity Risk

The Company requires funds both for short-term operational needs as well as for long-term investment programme mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

Financial liabilities	As at March 31, 2023		
	Less than 1 year	More than 1 year	Total
Lease liabilities	122.47	132.84	255.31
Borrowings	286.88	-	286.88
Trade payables	3,189.36	-	3,189.36
Other financial liabilities	427.90	-	427.90
Total	4,026.61	132.84	4,159.45

Financial liabilities	As at March 31, 2022		
	Less than 1 year	More than 1 year	Total
Lease liabilities	103.05	226.66	329.71
Borrowings	400.00	-	400.00
Trade payables	1,941.10	-	1,941.10
Other financial liabilities	390.88	-	390.88
Total	2,835.04	226.66	3,061.69

b) Credit risk

Credit risk refers to the risk that counter party will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The Company regularly monitors its counter party limits by reviewing the outstanding balance and ageing of the same.

The Company is exposed to credit risk mainly with respect to trade receivables.

Trade receivables are typically unsecured. Credit risk is managed by the Company through continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. At March 31, 2023, the Company had seven customers (March 31, 2022: six customers) that owed the Company more than INR 50 lacs each and accounted for approximately 62% (March 31, 2022: 56%) of all the receivables outstanding. There are three customer (March 31, 2022: one customer) with balances greater than INR 1,000 lacs accounting for just over 40% (March 31, 2022: 22%) of the total amount receivable.

The Company follows a simplified approach for recognition of impairment loss allowance on trade receivables. The application of a simplified approach does not require the company to track changes in credit risk as the same is sufficient to cover the risk of impairment/credit risk. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized in the statement of profit and loss. Impairment analysis is performed at each year end.

The Company provides a 30 to 90 days normal credit period to its customers.

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(ii) Expected credit loss for trade receivables using simplified approach

	As at March 31, 2023	As at March 31, 2022
Gross carrying amount	1,251.47	960.25
Provision for bad and doubtful debts	(366.83)	(298.18)
Carrying amount of trade receivables (net of impairment)	884.64	662.07

Refer note 8 of trade receivables

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: interest rate risk and currency risk. Financial instruments affected by market risk include loans and borrowings, deposits, debt and equity investments and derivative financial instruments.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has transactional currency exposures arising from export in currencies other than the Company's functional currency, which is INR. The company's financial state of affairs can be affected by movements in foreign currencies, primarily US Dollar. The Company does not hedge any foreign currency exposure as the amount involved is non material as of now.

Particular of unhedged foreign exposure receivables as at the reporting date :

Particulars	As at March 31, 2023		As at March 31, 2022	
	Foreign currency amount (in lacs)	Rupee equivalent (INR lacs)	Foreign currency Amount (in lacs)	Rupee equivalent (INR lacs)
United States Dollar (USD)	0.40	32.73	0.60	45.89
Great Britain Pound (GBP)	0.04	4.02	0.08	7.97
	0.44	36.75	0.68	53.86

The Company's exposure to foreign currency arises where Company holds financial assets and financial liabilities denominated in currency different from the functional currency of the Company. A reasonably possible strengthening (weakening) of the INR, US dollar or other foreign currencies against all other currencies at March 31 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below.

	Effect on profit before tax	
	March 31, 2023	March 31, 2022
USD		
Increase by 5% in forex rate	1.64	2.29
Decrease by 5% in forex rate	-1.64	-2.29
GBP		
Increase by 5% in forex rate	0.20	0.40
Decrease by 5% in forex rate	-0.20	-0.40

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40 Ratio analysis and its element

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.56	1.07	-48%	Current assets have decreased by INR 893.67 lacs as at March 31, 2023 as compared to March 31, 2022. Further, Current liabilities have increased by INR 1,152.84 lacs from March 31, 2022 to March 31, 2023.
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-41.58%	149.83%	-128%	In the previous year, there was capital infusion by Holding Company. However, in the current year, debt has been converted into equity and therefore decrease as compared to previous year.
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses and finance cost	Debt service = Interest & Lease Payments + Principal Repayments	(13.24)	(8.19)	62%	Movement is due to lesser marketing spends in current year and therefore less loss in the current year.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	565.17%	586.79%	-4%	No remarks required
Inventory Turnover ratio	Cost of goods sold	Average Inventory = (Opening + Closing)/2	5.00	5.01	0%	No remarks required
Trade Receivable Turnover Ratio*	Net credit sales = Gross credit sales - sales return	Average Trade Receivable = (Opening + Closing)/2	14.87	8.51	75%	Net credit sales have increased by INR 4,138.21 lacs and average trade receivables have decreased by INR 92.01 lacs as at March 31, 2023 as compared to March 31, 2022.
Trade Payable Turnover Ratio**	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	4.51	4.23	-6%	No remarks required
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	(6.24)	36.29	-117%	Net sales increased by INR 4,138.23 lacs and working capital have decreased by INR 2,046.56 lacs as at March 31, 2023 as compared to March 31, 2022.
Net Profit ratio	Net Profit (after tax)	Net sales = Total sales - sales return	-19.16%	-41.95%	-54%	Movement is due to lesser marketing spends in current year and therefore less loss in the current year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	303.75	-273.97	-211%	Earnings before interest and taxes has improved by INR 891.63 during the financial year ended March 31, 2023 as compared to financial year ended March 31, 2022. Further, Capital employed has decreased by INR 1,870.87 lacs as at March 31, 2023 as compared to March 31, 2022 on account of higher capital infusion in previous year.
Return on Investment - mutual funds	Interest income earned on mutual funds (note 1)	Time weighted investment value (note 2)	0.48%	0.38%	25.18%	Redemption of mutual funds yielded higher returns in March 31, 2023 as compared to March 31, 2022.
Return on Investment - Fixed deposit	Interest income earned on fixed deposits (note 1)	Time weighted investment value (note 2)	0.98%	2.84%	-65.49%	Investment in fixed deposit had more holding period in previous year as compared to current year.

* Trade receivables turnover ratio is computed on the basis of revenue from operation instead of net credit sales.

** Trade payables turnover ratio is computed on the basis of total purchases instead of Net credit purchases.

Note 1: $\{MV(T1) - MV(T0) - \text{Sum}[C(t)]\}$

Note 2: $\{MV(T0) + \text{Sum}[W(t) * C(t)]\}$

(T1 = End of time period. T0 = Beginning of time period. t = Specific date falling between T1 and T0. MV(T1) = Market value at T1. MV(T0) = Market value at T0. C(t) = Cash inflow, cash outflow on specific date. W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $[T1-t]/T1$.)

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41 Commitments and contingencies

(A) Commitments

As at March 31, 2023 the Company has no material commitments (March 31, 2022 : NIL).

(B) Contingent liabilities

There is contingent liability with respect to the Bank Guarantees issued as performance guarantee as of March 31, 2023 INR 229.06 Lacs (March 31, 2022 : NIL).
Further, as of March 31, 2023 (March 31, 2022 : NIL) the Company was not subject to litigation nor was the Company aware of any material litigation pending against it.

42 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules / interpretation have not yet been issued. The company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 Other Statutory Information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
 - ii) The Company does not have any transaction or relationships with any companies struck off under section 248 of the Companies Act, 2013.
 - iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years.
 - v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - vii) The Company does not have any 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).
 - viii) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
 - ix) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
 - x) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules,2017.
 - xi) The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).
- 44** As per the provisions prescribed under section 197 read with Schedule V to the Companies Act, 2013, the Company has obtained shareholders' approval in the Extra Ordinary General Meeting dated December 15, 2022 for the Managerial remuneration paid/payable to the two directors of the Company for the year ended March 31, 2023.
- 45** During the previous year, the Company had accounted for discrepancies in the inventory amounting to INR 204.16 lacs as write offs and scrap; identified with the support of external consultant on the basis the periodical physical verification performed and physically scrapped during the said period. However, the management was in the process of identifying the specific reasons for write off of INR 118.94 lacs out of INR 204.16 lacs during the previous year.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No.- 101049W/E300004

Nikhil Aggarwal
per Nikhil Aggarwal
Partner
Membership No.- 504274
Place : Gurugram
Date : May 23, 2023



For and on behalf of the Board of Directors
of Helios Lifestyle Private Limited

Bhisham
Bhisham Bhateja
Whole Time Director
DIN-06399900
Place : Gurugram
Date : May 23, 2023



Hitesh Dhingra
Hitesh Dhingra
Director
DIN-00846433
Place : Gurugram
Date : May 23, 2023