

Independent Auditor's Report to the Shareholder of

EMAMI INTERNATIONAL PERSONAL CARE TRADING L.L.C
P. O. Box 418059, Dubai, United Arab Emirates

Report on the audit of the financial statements

We have audited the financial statements of **Emami International Personal Care LLC** ("the Company"), which comprise the statement of financial position as at March 31, 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the for the year ended March 31, 2023 and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023, and its financial performance and its cash flows for the year ended March 31, 2023 in accordance with Ind AS.

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

The Management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with Ind AS and in compliance with the applicable provisions of the Articles of Association of the Company, the UAE Commercial Company Law No (32) of 2021 and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 charged with governance are responsible for overseeing the Company's financial reporting process.

Independent auditor's report continued on next page...



Independent auditor's report on Emami International Personal Care Trading L.L.C (continued...)

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 ISAs 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 ISAs, we exercise professional judgement 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

N. R. Doshi & Partners
Public Accountants

Dubai, United Arab Emirates

Date : April 27, 2023



Emami International Personal Care Trading LLC

BALANCE SHEET

AS AT Mar 31, 2023

Amount in Local Currency

ASSETS	Notes	As at 31.03.2023		As at 31.03.2022	
ASSETS					
1. Non-Current Assets					
(a) Property, Plant and Equipment	3.1	7,526		-	
(b) Capital Work-in-Progress	3.1	-		-	
(c) Investment Property	3.2	-		-	
(d) Goodwill on Consolidation	3.3				
(e) Right of Use Assets					
(f) Intangible Assets	3.3	-		-	
(g) Intangible Assets under Development	3.3	-		-	
(h) Financial Assets					
(i) Investments	3.4	-		-	
(ii) Loans	3.5	-		-	
(iii) Others	3.6	42,250		-	
(i) Other Non-Current Assets	3.7	-	49,776	-	-
2. Current Assets					
(a) Inventories	3.8	16,696		-	
(b) Financial Assets					
(i) Investments	3.4	-		-	
(ii) Trade Receivables	3.9	7,550,204		-	
(iii) Cash and Cash Equivalents	3.10	1,132,983		-	
(iv) Bank Balance other than (iii) above	3.11	-		-	
(v) Loans	3.12	-		-	
(vi) Other Financial Assets	3.13	1,474,648		-	
(c) Current Tax Assets (Net)	3.14	-		-	
(d) Other Current Assets	3.15	639,504	10,814,035	452,658	452,658
Total Assets			10,863,811		452,658
EQUITY AND LIABILITIES					
EQUITY					
(a) Equity Share Capital	3.16	300,000		300,000	
(b) Other Equity	3.17	(3,046,395)	(2,746,395)	(17,401)	282,599
1. Non-Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.18	-		170,059	
(ii) Other Financial Liabilities	3.19	-		-	
(b) Provisions	3.20	689,622		-	
(c) Deferred Tax Liabilities (Net)	3.21	-		-	
(d) Other Non-Current Liabilities	3.22	-	689,622	-	170,059
2. Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	3.23	-		-	
(ii) Trade Payables	3.24				
Total outstanding dues of Micro, Small & Medium Enterprises (MSME)		-		-	
Total outstanding dues of creditors Other than MSME		10,030,725		-	
(iii) Other Financial Liabilities	3.25	427,049		-	
(b) Other Current Liabilities	3.26	2,095,459		-	
(c) Provisions	3.27	367,351		-	
(d) Current Tax Liabilities (Net)					
			12,920,583	-	
Total Equity and Liabilities			10,863,811		452,658



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Emami International Personal Care Trading LLC

STATEMENT OF PROFIT AND LOSS ACCOUNT

AS AT Mar 31, 2023

Particulars		April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
Income			
Revenue from Operations		15,940,172	-
Other Income		-	-
Total Income	(A)	15,940,172	-
Expenses			
Cost of Materials Consumed		-	-
Purchases of Stock-in-Trade		5,292,128	-
(Increase)/Decrease in Inventories of Finished Goods, Stock in Trade and Work-in-Progress		(16,696)	-
Excise duty on sale of Goods		-	-
Employee Benefits Expense		2,309,540	-
Other Expenses		11,393,642	17,401
Total Expenses Before Interest, Depreciation, Amortisation and Tax	(B)	18,978,614	17,401
Earning Before Interest, Depreciation, Amortisation and Tax	(A-B)	(3,038,443)	(17,401)
Finance Costs	(C)	-	-
Depreciation, Amortisation & Impairment Expense:			
a) Amortisation & Impairment of Intangible Assets		-	-
b) Depreciation on Right of use assets		-	-
c) Depreciation of Tangible Assets		-	-
	(D)	-	-
Total Expenses	(B+C+D)=E	18,978,614	17,401
Profit Before tax and exceptional items	(A-E)=F	(3,038,443)	(17,401)
Exceptional items	(G)	-	-
Profit Before tax	(F-G)=H	(3,038,443)	(17,401)
Tax Expense:	(I)		
Current Tax (MAT)		-	-
Provision of Earlier Years		-	-
MAT Credit Entitlement		-	-
Deferred Tax charge		-	-
Profit for the year	(H-I)=J	(3,038,443)	(17,401)
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss in subsequent periods			
Equity Instrument through Other Comprehensive Income (net of tax)		-	-
Remeasurement of the net defined benefit liability/ asset (net of tax)		9,448	-
Income Tax Effect		-	-
Total Other Comprehensive Income, net of tax		9,448	-
Total Comprehensive Income for the year		(3,028,995)	(17,401)

Attachment - 1-



CASH FLOW STATEMENT
for the period ended March 31, 2023

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX	(3,038,443)	(17,401)
<i>Adjustments for :</i>		
Dividend from investment in mutual funds		
(Profit) / loss on fair value of mutual funds		
Depreciation and Amortisation Expense		
Finance Costs		
Interest income on loans & deposits		
(Profit) / Loss on Sale/Disposal of Property, Plant & Equipments (Net)		
Dividend Income from equity investment carried at fair value through OCI		
Share of loss of an Associate		
Unrealised Foreign Exchange Gain		
Sundry balances written (back) / off (Net)		
Share of Minority Interest		
(Profit)/ loss on Derivative Instruments		
Provision for Expenses	2,095,459	
Provision for employee benefit	571,477	
	<u>(371,507)</u>	<u>(17,401)</u>
<i>Adjustments for working capital changes :</i>		
Increase /(Decrease) in Trade Payables and Other Liabilities	10,457,776	-
(Increase)/Decrease in Inventories	(16,696)	
(Increase)/Decrease in Trade Receivables	(7,550,204)	
(Increase)/Decrease in Loans and Advances and Other Financial Assets	(1,021,956)	
(Increase)/Decrease in Other Non Financial Assets & Current Assets	(186,846)	(452,658)
Increase /(Decrease) in Provisions	0	
	<u>1,682,075</u>	<u>(452,658)</u>
CASH GENERATED FROM OPERATIONS	1,310,568	(470,059)
Less : Direct Taxes Paid		
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>1,310,568</u>	<u>(470,059)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Proceeds from Sale of Property, Plant & Equipment		
Interest Received		
Dividend Received		
Sale of Investments		
Loans given		
Proceeds from repayment of loan given		
Purchase of Property, Plant & Equipment & Intangible Assets	(7,526)	
Investment in Associates		
Purchases of Investments		
Investment in Preference Shares		
Fixed Deposits made		
Proceeds from maturity of Fixed Deposit		
NET CASH USED IN INVESTING ACTIVITIES	<u>(7,526)</u>	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings during the year		170,059
Repayment of Borrowings	(170,059)	
Proceeds from issue of share capital		300,000
Interest Paid		
Dividend Paid		
Acquisition of Non Controlling Interest		
Corporate Dividend Tax paid		
Cash Credit taken / (repaid) (Net)	<u>(170,059)</u>	<u>470,059</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(170,059)</u>	<u>470,059</u>
D. Effect of Foreign Exchange Fluctuation		
NET INCREASE/ (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)	<u>1,132,983</u>	<u>(0)</u>
Add- CASH & CASH EQUIVALENTS-OPENING BALANCE	-	
CASH & CASH EQUIVALENTS-CLOSING BALANCE	1,132,983	-



3.1 Property Plant & Equipment(Current Year)

Particulars	Gross Block			Depreciation		Net Block	
	As at 1.4.2022	Additions	Disposals/ Transfer	As at 31.03.2023	For the year	As at 31.03.2023	As at 31.3.2022
Land							
<i>Leasehold</i>				-		-	-
<i>Freehold</i>				-		-	-
Building (including roads)*				-		-	-
Plant & Equipment				-		-	-
Furniture & Fixture				-		-	-
Office Equipment				-		-	-
Computer		7,526		7,526		7,526	-
Motor Vehicles				-		-	-
Property, Plant & Equipment Total	-	7,526	-	7,526.00	-	7,526.00	-
Capital Work- In-Progress				-		-	-
Total	-	7,526	-	7,526.00	-	7,526.00	-



Emami International Personal Care Trading LLC
Notes to Financial Statements
AS AT Mar 31, 2023

3.6 Other Non-current Financial Assets

	As at 31.03.2023		As at 31.03.2022	
At amortised cost				
Unsecured, Considered Good				
Security Deposits To Others		42,250		
Total		42,250		-

3.8 Inventories

	As at 31.03.2023		As at 31.03.2022	
(At lower of cost and net realisable value)				
Raw and Packing Materials				
Finished Goods				
Traded Goods		16,696		
Stores and Spares				
Total	-	16,696	-	-

3.9 Trade Receivables

	As at 31.03.2023		As at 31.03.2022	
At amortised cost				
Secured				
Considered Good		1,556,913		
Unsecured				
Considered Good		5,993,290		
Total	-	7,550,204	-	-

3.10 Cash and Cash Equivalents

	As at 31.03.2023		As at 31.03.2022	
Cash and Cash Equivalents				
Balances with Banks		1,129,725		
Fixed Deposits with Banks (Original Maturity of less than 3 Months)				
Cash on hand		3,258		
Cheques in hand				
Total	-	1,132,983	-	-

3.13 Other Financial Assets

	As at 31.03.2023		As at 31.03.2022	
At amortised cost				
Unsecured, considered good				
Interest Receivable on Deposits				
Other Receivables		1,474,648		
Incentives receivable				
Advances to employees				
Balance with revenue authorities				
At FVTPL				
Foreign Currency Forward & Option Contracts				
Total		1,474,648		-



3.15 Other Current Assets

	As at 31.03.2023		As at 31.03.2022	
Unsecured, considered good				
Advances other than Capital Advances				
For goods and services				
To employees		27,867		-
Balances with Excise and Sales Tax Department		94,105		
MAT Credit Entitlement				
Prepaid Expenses		517,532		452,658
Total		639,504		452,658

3.16 Equity Share Capital

	As at 31.03.2023		As at 31.03.2022	
Authorised		300,000		300,000
Issued		300,000		300,000
Subscribed & Paid up		300,000		300,000
Total Issued, Subscribed and Fully paid up Share Capital		300,000		300,000

3.17 Other Equity

	As at 31.03.2023		As at 31.03.2022	
Retained Earnings				
Opening balance		(17,401)		-
Net Profit for the Year		(3,038,443)		(17,401)
Remeasurements of the Net Defined Benefit Plans (net of tax)				
Other Comprehensive Income				
Opening Balance				
Remeasurements of the Net Defined Benefit Plans (net of tax)		9,449		
Income Tax Effect				
Closing Balance				
Other Reserves				
Other Reserves				
Total		(3,046,395)		(17,401)

3.20 Provisions

	As at 31.03.2023		As at 31.03.2022	
Provision for Employee Benefits				
Gratuity		689,622		
Total		689,622		-

3.24 Trade Payables

	As at 31.03.2023		As at 31.03.2022	
At amortised cost				
Total outstanding dues of Micro, Small & Medium Enterprises (MSME)				
Total outstanding dues of creditors Other than MSME		10,030,725		-
Total		10,030,725		-



3.25 Other Financial Liabilities

	As at 31.03.2023		As at 31.03.2022	
At amortised cost				
Current Maturities of Long-Term Borrowings				
Interest Accrued but not due on Borrowings				
Interest Accrued and due on Trade Deposits				
Creditors for Capital Goods				
Unpaid Dividends				
Employee Benefits		427,049		
Lease liabilities				
Security deposit				
Other payables				
Total		427,049		-

3.26 Other Current Liabilities

	As at 31.03.2023		As at 31.03.2022	
Deferred government grant				
Contract Liabilities		2,095,459		
Other Payables		-		
Duties & Taxes		-		
Total	0	2,095,459		-

3.27 Provisions

	As at 31.03.2023		As at 31.03.2022	
Provision for Employee Benefits				
Provident Fund				
Gratuity		8,684		
Leave Encashment		358,667		
Others				
Provision for Litigation				
Total	0	367,351		0

Additional Note

1 Reconciliation of Trade Creditors with Audited Financial Statements :

Particulars	As at 31.03.2023		As at 31.03.2022	
Trade Payable as per GRR		10,030,725		0
less : Provisions for expenses		(5,182,136)		0
less: Accruals		(662,523)		
Trade Creditors as per Audit Financial Statement		4,186,066		0



Emami International Personal Care Trading LLC
Notes to Financial Statements
AS AT Mar 31, 2023

3.28 Revenue from operations

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
Sale of Products	15,940,172	
Other Operating Revenues		
Total	15,940,172	-

* Reconciliation with audit report given in delievable C-10 Reporting Package identification.

3.30 Cost of Material Consumed

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
Raw materials and Packing materials		
Purchases during the year	5,292,128	
Total	5,292,128	-

3.31 Change in inventories of finished goods, work-in-progress and Stock-in- Trade

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
(I) Opening Stock		
Work-in-progress	-	
Finished Goods	-	
Stock-in-Trade	-	
(II) Closing Stock		
Work-in-progress	-	
Finished Goods	(16,696)	
Stock-in-Trade	-	
(I) - (II)	(16,696)	-

3.32 Employee Benefit Expenses

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
Salaries and Wages	2,106,178	
Staff Contribution to Provident and Other Funds		
Gratuity Expenses	203,362	
Welfare Expense		
Total	2,309,540	-

3.34 Other Expenses

	April 1, 2022 to March 31, 2023	January 25, 2022 to March 31, 2022
Consumption of Stores and Spare parts		
Power and Fuel	29,750	
Rent	493,832	
Repairs & Maintenance :		
Building		
Machinery		
Others	27,857	
Insurance		
Rates and Taxes	248,304	7,151
Freight & Forwarding		
Directors' Fees and Commission		
Advertisement & Sales Promotion	9,648,430	
Packing Charges		
Commission		
Loss on Sale/Disposal of Property, Plant & Equipments		
Sundry Balance Written Off		
Legal and Professional Fees	43,640	10,250
Telecom Expenses	31,815	
Travelling Expenses	360,768	
Recruitment Expenses	157,234	
Miscellaneous Expenses	347,551	
Net foreign exchange loss	4,461	
Total	11,393,642	17,401



Related Party Transactions

AS AT Dec. 31, 2023		Reporting Company Name	Related Party Name	Nature of Relationship	Transaction Details	Item Type	For PL Items April 1, 2022 to March 31, 2023	For BS Items As at 31.03.2023
		Emami International Personal Care Trading LLC	Emami Limited	Ultimate Parent Company	Purchase of Goods	PL	88,881	
		Emami International Personal Care Trading LLC	Emami Limited	Ultimate Parent Company	Royalty	PL	287,727	
		Emami International Personal Care Trading LLC	Emami International FZE	Parent Company	Purchase of Goods	PL	66,083	
		Emami International Personal Care Trading LLC	Emami International FZE	Parent Company	Allocation of Expenses	PL	1,540,731	
		Emami International Personal Care Trading LLC	Amitabh Goenka	Director	Rent	PL	465,000	
		Emami International Personal Care Trading LLC	Emami International FZE	Parent Company	Other Receivables	BS		1,474,648
		Emami International Personal Care Trading LLC	Amitabh Goenka	Director	Prepayments	BS		387,500
		Emami International Personal Care Trading LLC	Emami Limited	Ultimate Parent Company	Trade and other payables	BS		376,608

* Reconciliation of allocation expenses with audited financials

Particulars	Amounts
Allocation of salary expense as per Audited Financial	932,700
Add : Expenses paid by Emami Personal Care LLC on behalf of Emami International FZE	608,031
Total as per GRR	1,540,731

