

INDEPENDENT AUDITOR'S REPORT

To the Members of Helios Lifestyle Limited (Formerly “Helios Lifestyle Private Limited”)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Helios Lifestyle Limited [Formerly Helios Lifestyle Private Limited] (“the Company”), which comprise the Balance sheet as at March 31, 2025, 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 material 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, 2025, 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 Board 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.

Responsibilities of the 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.
- 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.

Other Matters

The financial statements of the Company for the year ended March 31, 2024, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on September 20, 2024.

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 to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i) (vi) below on reporting under Rule 11(g);
 - (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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i) (vi) below on reporting under Rule 11(g).
- (g) 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;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 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.
- (i) 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(s) or entity(ies), 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(s) or entity(ies), 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. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 45 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of previous year has not been preserved by the Company as per the statutory requirements for record retention.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Agarwal
Partner
Membership Number: 055833
UDIN: 25055833BMOCHO3421
Place of Signature: Kolkata
Date: May 14, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Helios Lifestyle Limited (Formerly known as 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 three 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 favour 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, 2025.
- (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 Rs. 259.97 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 Rs. 259.97 lacs, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.
- (b) As disclosed in note 14 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank 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 quarterly returns/statements filed by the Company with such bank are in agreement with the unaudited books of account of the Company. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets 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.

- (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.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) 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) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it though there has been a slight delay in a few cases. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, 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.

- (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 wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by 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 /fully or partially or optionally convertible debentures 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 by the Company or no 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 cost auditor/ 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) (a) 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) of the Order is not applicable to the Company.
- (b) 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)(b) of the Order is not applicable to the Company.
- (c) 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)(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 in so far as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) 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)(a) of the Order is not applicable to the Company.

- (b) 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)(b) 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.
- (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 is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (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 Rs. 1,582.07 lakhs in the current financial year. The Company had not incurred cash losses in the immediately preceding financial year.
- (xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- (xix) On the basis of the financial ratios disclosed in Note 39 to the financial statements, the 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 and considering the Company's current liabilities exceeds the current assets by Rs. 1,787.72 lacs, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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) (a) The Company has incurred average net loss in the period of three immediately preceding financial years and hence, it is not required to spend any money under sub section (5) of section 135 of the Act. Accordingly, the requirement under clause 3(xx)(a) of the Order is not applicable to the Company for the year.

- (b) The Company has incurred average net loss in the period of three immediately preceding financial years and hence, it is not required to spend any money under sub section (5) of section 135 of the Act. Accordingly, the requirement under clause 3(xx)(b) of the Order is not applicable to the Company for the year.

For **S.R. Batliboi & Co LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Agarwal
Partner
Membership Number: 055833
UDIN: 25055833BMOCHO3421
Place of Signature: Kolkata
Date: May 14, 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF Helios Lifestyle Limited (Formerly 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 have audited the internal financial controls with reference to financial statements of Helios Lifestyle Limited [Formerly Helios Lifestyle Private Limited] ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the 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 Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to these Financial Statements

A company's internal financial controls 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 controls 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.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 issued by the ICAI.

For **S.R. Batliboi & Co LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Agarwal

Partner

Membership Number: 055833

UDIN: 25055833BMOCHO3421

Place of Signature: Kolkata

Date: May 14, 2025

Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)
Balance Sheet as at March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	125.06	129.62
Right-of-use assets	4a	968.58	769.09
Intangible assets	4b	4.69	7.32
Intangible asset under development	4b	36.97	21.75
Financial assets			
(i) Other financial assets	5	130.11	142.91
Deferred tax assets (net)	6	235.42	178.49
Total non-current assets		1,500.83	1,249.18
Current assets			
Inventories	7	2,152.15	1,999.84
Financial assets			
(i) Trade receivables	8	2,229.91	3,900.00
(ii) Cash and cash equivalents	9A	32.15	49.17
(iii) Other bank balances	9A	-	20.00
(iv) Other Financial Assets	5	206.76	157.32
Current tax assets	10	32.99	56.36
Other current assets	11	657.00	431.65
Total current assets		5,310.96	6,614.34
Total assets		6,811.79	7,863.52
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	27.72	26.93
Other equity			
(i) Securities Premium	13	8,891.09	7,891.87
(ii) Share based payment reserve	13	-	202.96
(iii) Retained earnings	13	(10,761.00)	(8,425.09)
Total equity		(1,842.19)	(303.33)
Liabilities			
Non-current liabilities			
Financial Liabilities			
(i) Borrowings	14	805.00	-
(ii) Lease liabilities	33	707.93	543.22
(iii) Other financial liabilities	15	-	5.14
Provisions	16	42.37	53.34
Total non-current liabilities		1,555.30	601.70
Current liabilities			
Contract Liabilities	18	26.91	17.22
Financial liabilities			
(i) Borrowings	14	1,963.22	1,550.55
(ii) Lease liabilities	33	331.20	268.90
(iii) Trade payables	17		
A) total outstanding dues of micro enterprises and small enterprises		299.00	283.47
B) total outstanding dues of creditors other than micro enterprises and small enterprises		3,638.95	4,789.89
(iv) Others financial liabilities	15	649.72	493.07
Other current liabilities	19	75.41	81.94
Provisions	16	114.27	80.11
Total current liabilities		7,098.68	7,565.15
Total liabilities		8,653.98	8,166.85
Total equity and liabilities		6,811.79	7,863.52

Summary of material accounting policies (refer note 2)

The accompanying notes form an integral part of the financial statements.

As per our reports of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.- 301003E/E300005

**For and on behalf of the Board of Directors
of Helios Lifestyle Limited (Formerly known as
Helios Lifestyle Private Limited)**

per Sanjay Agarwal

Partner

Membership No.- 055833

Place : Kolkata

Date : May 14, 2025

Zairus Master

CEO and Director

DIN-09485679

Place : Gurugram

Date : May 14, 2025

Bhisham Bhateja

Director

DIN-06399900

Place : Gurugram

Date : May 14, 2025

Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)
Statement of Profit and Loss for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	20	15,391.71	18,292.04
Other income	21	38.87	253.06
Total income		15,430.58	18,545.10
Expenses			
Purchases of packing material and traded goods	22	5,834.56	7,214.26
(Increase) in inventories of packing material and traded goods	23	(152.31)	(959.77)
Employee benefits expense	24	2,321.32	1,839.96
Finance costs	25	322.86	241.44
Depreciation and amortisation expense	26	426.96	317.28
Other expenses	27	8,915.12	9,022.76
Total expense		17,668.51	17,675.93
(Loss)/ Profit before tax		(2,237.93)	869.17
Tax expense:			
Current tax		-	-
Deferred tax (income)		(55.23)	(13.41)
Total tax expense		(55.23)	(13.41)
(Loss)/ Profit for the year		(2,182.70)	882.58
Other comprehensive income	28		
Items that will not to be reclassified to profit or loss:			
-Re-measurement (loss) on defined benefit plans		(6.77)	(11.94)
-Income tax effect		1.70	3.11
Other comprehensive (loss) for the year, net of tax		(5.07)	(8.83)
Total comprehensive (loss)/ income for the year, net of tax		(2,187.77)	873.76
Earnings per equity share (face value of INR 10 each):	29		
Basic (in INR)		(803.43)	327.73
Diluted (in INR)		(803.43)	323.47
Summary of material accounting policies (refer note 2)			

The accompanying notes form an integral part of the financial statements.

As per our reports of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.- 301003E/E300005

**For and on behalf of the Board of Directors
of Helios Lifestyle Limited (Formerly known as
Helios Lifestyle Private Limited)**

per Sanjay Agarwal
Partner
Membership No.- 055833
Place : Kolkata
Date : May 14, 2025

Zairus Master
CEO and Director
DIN-09485679
Place : Gurugram
Date : May 14, 2025

Bhisham Bhateja
Director
DIN-06399900
Place : Gurugram
Date : May 14, 2025

Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)
Cash Flow Statement for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs unless otherwise stated)

Particulars	For the year ended March 31,2025	For the year ended March 31, 2024
A. Cash flow from operating activities		
(Loss)/ profit before tax	(2,237.93)	869.17
Adjustments to reconcile the (loss)/ profit before tax to net cash flow:		
Depreciation of property, plant and equipment	60.13	57.45
Amortisation of intangible assets	2.62	2.70
Amortisation on right of use asset	364.21	257.13
Expense on share-based payments (refer note 32)	50.44	63.46
Impairment loss on financial assets	73.81	25.59
Provision for inventories	112.50	(60.50)
Interest on income tax refund	(2.84)	(2.83)
Bad-debt written off	-	4.95
Interest on financial liabilities carried at amortised cost - borrowings including finance cost	204.32	90.70
Interest on late payment to MSME vendors	26.22	29.16
Interest on lease liability	92.32	73.60
Interest income earned on bank deposits	(3.22)	(9.12)
Gain on derecognition of Right of Use Assets and Lease Liabilities	-	(2.56)
Loss on sale/ discard of property plant & equipment	-	2.46
Interest income on security deposit	(13.43)	(8.39)
Liabilities no longer required written back	(12.23)	(213.70)
Foreign exchange fluctuations (gain)/ loss	(0.78)	0.38
	(1,283.86)	1,179.65
Working capital adjustments:		
(Increase) in inventories	(264.81)	(899.28)
Decrease/ (Increase) in trade receivables	1,602.90	(3,046.29)
(Increase) in other financial assets	(31.51)	(54.44)
(Increase) in other current Assets	(229.71)	(328.13)
(Decrease)/ Increase in trade payables	(1,149.40)	2,068.54
Increase in provisions	16.42	18.64
Increase in other financial liabilities	14.21	42.75
Increase/ (Decrease) in contract liability	9.69	(46.20)
(Decrease)/ Increase in other current liabilities	(6.53)	7.83
Cash used in operations	(1,322.60)	(1,056.94)
Income tax refund/ (paid) including interest on refund	26.20	(8.73)
Net cash flows (used) from operating activities	A (1,296.40)	(1,065.67)
B. Cash flows from investing activities		
Purchase of property, plant and equipment (including capital advances and capital creditors)	(48.65)	(74.04)
Payment for intangible asset under development	(15.22)	(21.75)
Interest received on bank deposits	1.28	19.03
Investment in bank deposits	(158.95)	(188.15)
Redemption of bank deposits	170.95	369.31
Net cash flows (used)/ generated from investing activities	B (50.59)	104.40
C. Cash flow from financing activities		
Proceeds from long-term borrowings	805.00	-
Proceeds from short-term borrowings (net)	412.67	1,263.67
Proceeds from issue of equity share capital	1,000.01	-
Re-purchase of own equity (Vested shares)	(304.20)	-
Interest paid	(166.91)	(80.97)
Repayment of lease liability (Principal)	(324.28)	(206.54)
Repayment of lease liability (Interest)	(92.32)	(73.60)
Net cash flows generated from financing activities	C 1,329.97	902.56
Net (decrease) in cash and cash equivalent	(A+B+C) (17.02)	(58.71)
Cash and cash equivalents at the beginning of the year	49.17	107.88
Cash and cash equivalents at year end	32.15	49.17
Components of cash and cash equivalents		
Balances with banks		
- On current account	0.22	19.61
Deposits with original maturity of less than three months	-	-
Cash at Outlets	31.93	29.56
Cash and cash equivalents at year end (refer note 9A)	32.15	49.17

Refer note 9B for change in liabilities arising from financing activities

Summary of material accounting policies (refer note 2)

The accompanying notes form an integral part of the financial statements.

As per our reports of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.- 301003E/E300005

For and on behalf of the Board of Directors

of Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)

per Sanjay Agarwal

Partner

Membership No.- 055833

Place : Kolkata

Date : May 14, 2025

Zairus Master

CEO and Director

DIN-09485679

Place : Gurugram

Date : May 14, 2025

Bhisham Bhateja

Director

DIN-06399900

Place : Gurugram

Date : May 14, 2025

Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)
Statement of Changes in Equity for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(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 01, 2023	26.93
Issue of share capital (refer note 12)	-
As at March 31, 2024	26.93
Issue of share capital (refer note 12)	0.79
As at March 31, 2025	27.72

b. Other equity

Particulars	Reserves and Surplus			Total
	Securities Premium	Share based payment reserve	Retained earnings	
As at April 1, 2023	7,891.87	139.50	(9,298.85)	(1,267.48)
Profit for the year	-	-	882.58	882.58
Share-based payments (refer note 13)	-	63.46	-	63.46
Other comprehensive (loss), net of tax	-	-	(8.83)	(8.83)
Total comprehensive income for the year	-	63.46	873.77	937.21
As at March 31, 2024	7,891.87	202.96	(8,425.08)	(330.26)
(Loss) for the year	-	-	(2,182.70)	(2,182.70)
Issue of share capital (refer note 13)	999.22	-	-	999.22
Share-based payments (refer note 13)	-	50.44	-	50.44
Adjustment on cancellation and settlement of share-based payments (refer note 13)	-	(253.40)	(148.14)	(401.54)
Other comprehensive (loss), net of tax	-	-	(5.07)	(5.07)
Total comprehensive (loss) for the year	999.22	(202.96)	(2,335.91)	(1,539.65)
As at March 31, 2025	8,891.09	-	(10,761.00)	(1,869.91)

Summary of material accounting policies (refer note 2)

The accompanying notes form an integral part of the financial statements.

As per our reports of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No.- 301003E/E300005

For and on behalf of the Board of Directors
of Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)

per Sanjay Agarwal
Partner
Membership No.- 055833
Place : Kolkata
Date : May 14, 2025

Zairus Master
CEO and Director
DIN-09485679
Place : Gurugram
Date : May 14, 2025

Bhisham Bhateja
Director
DIN-06399900
Place : Gurugram
Date : May 14, 2025

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

Corporate Information

Helios Lifestyle 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 an unlisted public limited company domiciled in India. It is a wholly owned subsidiary of Emami Limited. The registered office of the Company is located at 9th Floor, Splendor Spectrum One, Golf Course Extension Road, Sector 58, Gurgaon, Gurgaon, Sadar Bazar, Haryana, India, 122001.

These Financial Statements are authorized for issue by the Company’s Board of directors on May 14, 2025.

Summary of material 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 2.9).

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 2.21.

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 incurred net Losses of INR 2,182.70 lacs (March 31, 2024: net profit of INR 882.58 lacs) in current year and the Company’s current liabilities exceeded its current assets by INR 1,787.72 lacs (current liabilities exceeded current assets as at March 31, 2024: INR 950.81 lacs), the Company has obtained the letter of financial support from the Holding company. 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 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

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

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.

2.3 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. Property, Plant and equipment including capital work in progress are stated at acquisition cost, net of recoverable taxes, less accumulated depreciation and accumulated impairment losses, if any.

The initial cost comprises of 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. 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. 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. All repair and maintenance are charged to statement of profit and loss during the reporting year in which they are incurred.

The Company recognises kiosks as property, plant and equipment assets under furniture and fixtures.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. 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 assets are fully depreciated over the life and residual value of the assets is considered as NIL, for the purpose of depreciation computation.

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 and in the manner prescribed in Schedule II of the Companies Act 2013.

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
Computers	3
Office equipment	3 to 5

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

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.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

2.4 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.

Intangible assets acquired separately comprise of purchase of patent and trademarks with finite useful life that are initially recognised at cost. 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.

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
Patent and 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*.

Intangible assets under developments are intangible assets that are not ready for the intended use as on the balance sheet date and are disclosed as Intangible assets under development and tested for impairment, if any, annually.

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.

2.5 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.

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 assets 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.

2.6 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset.
- ii. the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Right of use assets:

The cost of right-of-use assets includes the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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 Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS 116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The interest cost on lease liability (computed using effective interest method), is expensed off in the statement of profit and loss and the lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

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.

2.7 Finance cost

Finance costs includes interest expense recognised by applying the Effective interest rate method (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as fair value such as interest expense in respect of the assets acquired on lease.

Interest expense also includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method and exchange differences to the extent regarded as an adjustment to the borrowing costs, if any. All other finance costs are recognised in profit and loss in the period in which they are incurred.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, cash on hand, cash at outlet 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).

2.9 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

The Company's financial assets includes security deposits, trade and other receivables. All financial assets are recognized initially at fair value except for trade receivables (without a significant financing component) which are initially recognised at transaction price. 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.

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

Financial assets are carried at amortized cost using Effective Interest rate method (EIR):

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, security deposits, trade and other receivables.

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.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

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 2.21
- 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

The Company's financial liabilities include borrowings, trade and other payables. All financial liabilities are recognized initially at fair value. Financial liabilities are subsequently carried at amortized cost using the effective interest rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

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.

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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.

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.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

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.

2.10 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. When the arrangement effectively contains a financing element such as purchase of inventories on deferred settlement terms, that element, for example a difference between the purchase price for normal credit terms and the amount paid, is recognised as interest expense over the period of the financing. 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, near expiry of nine months, 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 Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company regardless of when the payment is being made.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

Trade receivables that do not contain a significant financing component are measured at transaction price.

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

A few of sales contract generally provide a customer a right to return an item for certain reasons. Revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Thus, the amount of revenue recognized is adjusted for expected returns which are estimated based on the historical data. In these circumstances, a refund liability is recognized. And a right to receive returned goods (and corresponding adjustment to cost of sales) are not recognized due to the stock is received in non-saleable condition based on the historical data. The refund liability is presented under the head "Provisions" on the Balance Sheet. The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the liability accordingly.

Other operating revenue:

Income from other operating revenue, primarily comprises of shipping income, marketing income, franchise fees.

Income from shipping income and marketing income is recognised on accrual basis. Income from shipping income 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.

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.

Exchange differences arising on settlement or translation of monetary items are recognized in statement of profit and loss.

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. 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.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

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.

Helios Lifestyle Limited (formerly Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs, unless stated otherwise)

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.

2.16 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.

2.17 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding 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.

2.18 Contingent liabilities

A contingent liability is disclosed in respect of a possible obligation that arise from past events whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or from a present obligation that arises from past events which are not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- b) the amount of the obligation cannot be measured with sufficient reliability

2.19 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing or financing cash flow. The cash flows from operating, investing, and financing activities of the Group are segregated based on available information.

2.20 Segment reporting

The Company is engaged in trading of cosmetics products, which is a single reportable segment as considered by Chief Operating Decision Maker (CODM). The management has considered that the Company has a single reportable segment based on nature of products, production process, regulatory environment, customers and distribution methods.

2.21 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 38
- Sensitivity analysis disclosures – notes 31 and 38(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 38(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.

f. 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.

g. 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.

2.21 Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024.

(ii) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The above amendments do not have any impact on the Company's financial statement.

(This space has been intentionally left blank)

3 Property, plant and equipment (PPE)

Particulars	Plant and equipment	Furniture and fixtures	Office equipments	Computers	Total
Gross block					
At April 1, 2023	9.47	179.56	31.10	67.47	287.60
Additions (net)	0.42	63.20	8.78	15.11	87.51
Disposals/written off	3.18	-	-	-	3.18
At March 31, 2024	6.71	242.76	39.88	82.58	371.93
Additions (net)	0.90	27.61	4.08	22.99	55.58
Disposals/written off	-	-	-	-	-
At March 31, 2025	7.61	270.37	43.96	105.57	427.51
Accumulated depreciation					
At April 1, 2023	4.47	122.36	17.13	41.62	185.58
Depreciation charge for the year	0.73	34.76	6.95	15.01	57.45
Disposals/written off during the year	0.72	-	-	-	0.72
At March 31, 2024	4.48	157.12	24.08	56.63	242.31
Depreciation charge for the year	0.42	35.91	6.68	17.13	60.14
Disposals/written off during the year	-	-	-	-	-
At March 31, 2025	4.90	193.03	30.76	73.76	302.45
Net book value					
At March 31, 2025	2.71	77.34	13.20	31.81	125.06
At March 31, 2024	2.23	85.64	15.80	25.95	129.62

Notes:

- (i) There is no capital work in progress as at March 31, 2025 and March 31, 2024.
(ii) As at March 31, 2025, the Company has pledged property, plant and equipment towards cash credit limit from bank. Refer note 14.

(This space has been intentionally left blank)

4a Right-of-use assets

	Amount
Gross block	
As at April 01, 2023	327.37
Additions	826.24
Disposals	17.09
As at March 31, 2024	1,136.52
Additions	563.70
Disposals	-
As at March 31, 2025	1,700.22
Accumulated amortisation	
As at April 01, 2023	113.43
Amortisation during the year	257.13
Disposals during the year (refer note 33)	3.13
As at March 31, 2024	367.43
Amortisation during the year	364.21
Disposals during the year (refer note 33)	-
As at March 31, 2025	731.64
Net book value	
As at March 31, 2025	968.58
As at March 31, 2024	769.09

4b Intangible asset

	Trade marks	Computer software	Website	Total
Gross block				
As at April 01, 2023	7.38	0.46	14.88	22.72
Additions	-	-	-	-
As at March 31, 2024	7.38	0.46	14.88	22.72
Additions	-	-	-	-
As at March 31, 2025	7.38	0.46	14.88	22.72
Accumulated amortisation				
As at April 01, 2023	3.35	0.46	8.89	12.70
Amortisation during the year	0.95	-	1.75	2.70
As at March 31, 2024	4.30	0.46	10.64	15.40
Amortisation during the year	0.88	-	1.75	2.63
As at March 31, 2025	5.18	0.46	12.39	18.03
Net book value				
As at March 31, 2025	2.20	0.00	2.49	4.69
As at March 31, 2024	3.08	0.00	4.24	7.32

Intangible assets under development

	Computer software	Total
As at April 1, 2023	-	-
Additions during the year	21.75	21.75
Written off during the year	-	-
As at March 31, 2024	21.75	21.75
Additions during the year	15.22	15.22
Written off during the year	-	-
As at March 31, 2025	36.97	36.97

Intangible under development ageing schedule

As at March 31, 2025	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	15.22	21.75	-	-	36.97
Projects temporarily suspended	-	-	-	-	-
	15.22	21.75	-	-	36.97
As at March 31, 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress*	21.75	-	-	-	21.75
Projects temporarily suspended	-	-	-	-	-
	21.75	-	-	-	21.75

* As at March 31, 2025 and March 31, 2024 intangibles assets under development represents the implementation of accounting software in process.

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25 and 2023-24.

5 Other financial assets

Financial assets carried at amortised cost

Non-current (Unsecured, considered good)

Security deposits
Fixed deposit having remaining maturity more than 12 months *#

Current (Unsecured, considered good)

Security deposits
Accrued interest

Total current

Total non-current

	As at March 31, 2025	As at March 31, 2024
Security deposits	94.20	115.00
Fixed deposit having remaining maturity more than 12 months *#	35.91	27.91
	130.11	142.91
Security deposits	204.60	157.10
Accrued interest	2.16	0.22
	206.76	157.32
Total current	206.76	157.32
Total non-current	130.11	142.91

* includes deposits pledged against bank guarantees (refer note 40 B)

Company earns an interest on these long-term deposits at the rate 7% p.a. to 7.2% p.a. (March 31, 2024 : 7.2% p.a.)

6 Deferred tax assets (net)

Deferred tax assets (net)

Total

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (net)	235.42	178.49
Total	235.42	178.49

(a) Reconciliation of deferred tax assets (net)

Year ended March 31, 2025	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax relates to the following				
Accelerated depreciation for tax purposes	23.77	4.31	-	28.08
Post employment employee benefits	23.69	(8.19)	1.70	17.20
Provision for leave liability	11.02	(3.10)	-	7.92
Provision for non-moving / obsolete / damage inventory etc	0.31	42.60	-	42.91
Impairment loss on financial assets	102.03	13.84	-	115.87
Fair value of security deposit	6.50	(0.82)	-	5.68
Lease liabilities	211.14	50.39	-	261.53
Right of use asset	(199.97)	(43.80)	-	(243.77)
Net deferred tax assets	178.49	55.23	1.70	235.42

Year ended March 31, 2024	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax relates to the following				
Accelerated depreciation for tax purposes	17.53	6.24	-	23.77
Post employment employee benefits	18.86	1.72	3.11	23.69
Provision for leave liability	7.90	3.12	-	11.02
Provision for non-moving / obsolete / damage inventory etc	16.03	(15.72)	-	0.31
Impairment loss on financial assets	95.38	6.65	-	102.03
Fair value of security deposit	2.40	4.10	-	6.50
Lease liabilities	59.50	151.64	-	211.14
Right of use asset	(55.63)	(144.34)	-	(199.97)
Net deferred tax assets	161.97	13.41	3.11	178.49

No deferred tax asset has been recognised on accumulated business losses since it is not probable that the taxable profits will be available against which the unutilised tax losses and unabsorbed depreciation can be utilised and due to lack of strong evidence that future taxable profit would be available.

7 Inventories (at lower of cost and net realisable value)

Finished goods *
Raw material & packing material (at cost)

Subtotal

(Less): Provision for inventories

Total

(*) includes goods in transit amounting to Rs. 41.98 lacs as at March 31, 2025 (As at March 31, 2024: Rs. 245.51 lacs)

	As at March 31, 2025	As at March 31, 2024
Finished goods *	2,033.77	1,800.96
Raw material & packing material (at cost)	232.06	200.05
Subtotal	2,265.83	2,001.01
(Less): Provision for inventories	(113.68)	(1.17)
Total	2,152.15	1,999.84

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.

(This space has been intentionally left blank)

8 Trade receivables

Trade receivables*
Total

As at March 31, 2025	As at March 31, 2024
2,229.91	3,900.00
2,229.91	3,900.00

* Includes balance receivable from related party INR 39.34 lacs (March 31, 2024: 1.60 lacs) (Refer note 35 C)

Break-up for security details :

Trade receivables

Unsecured, considered good
Trade receivables - credit impaired
Subtotal

As at March 31, 2025	As at March 31, 2024
2,229.91	3,900.00
460.40	392.42
2,690.31	4,292.42
(460.40)	(392.42)
2,229.91	3,900.00

Impairment allowance (allowance for bad and doubtful debts)

Trade receivables - credit impaired
Total

As at March 31, 2025	As at March 31, 2024
(460.40)	(392.42)
(460.40)	(392.42)

Movement in expected credit loss allowance

Balances at the beginning of the year
Created during the year
Balances at the end of the year

As at March 31, 2025	As at March 31, 2024
(392.42)	(366.83)
(67.98)	(25.59)
(460.40)	(392.42)

Trade receivables ageing schedule

As at March 31, 2025

(i) Undisputed Trade receivables – considered good
(ii) Undisputed Trade Receivables – credit impaired
(iii) Disputed Trade Receivables– considered good
(iv) Disputed Trade Receivables – credit impaired
Total

Current, but not due	Outstanding for following periods from transaction date					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
-	1,898.83	331.08	-	-	-	2,229.91
-	-	62.47	125.69	52.93	219.31	460.40
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,898.83	393.55	125.69	52.93	219.31	2,690.31

As at March 31, 2024

(i) Undisputed Trade receivables – considered good
(ii) Undisputed Trade Receivables – credit impaired
(iii) Disputed Trade Receivables– considered good
(iv) Disputed Trade Receivables – credit impaired
Total

Current, but not due	Outstanding for following periods from transaction date					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
-	3,795.10	104.90	-	-	-	3,900.00
-	-	109.60	63.51	68.24	151.07	392.42
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	3,795.10	214.50	63.51	68.24	151.07	4,292.42

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 i) Cash and cash equivalents

Balances with banks:
- On current account *
Cash at outlets
Total

As at March 31, 2025	As at March 31, 2024
0.22	19.61
31.93	29.56
32.15	49.17

* As at March 31, 2025, the Company had INR 1,536.78 lacs (March 31, 2024 : 96.86 lacs) unutilised from the available cash credit facility.

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

Balances with banks:
- On current account
Cash at outlets
Total

As at March 31, 2025	As at March 31, 2024
0.22	19.61
31.93	29.56
32.15	49.17

ii) Other bank balances

Deposits with original maturity of more than three months but less than twelve months #
Total

As at March 31, 2025	As at March 31, 2024
-	20.00
-	20.00

Short-term deposits are made for varying periods of between four and twelve months depending on the cash requirements of the Company. The Company had earned an interest on these short-term deposits at the rate ranging from 4.75% to 6.75% during the year ended March 31, 2025 and March 31, 2024.

9B Changes in liabilities arising from financing activities
For the year ended March 31, 2025

Particulars	March 31, 2024	Cash flows	Other non cash adjustments				March 31, 2025
			Adjustment on account of conversion of borrowing into equity	Addition in lease liabilities	Lease Liability written back during the year	Accretion of interest	
Borrowings	1,550.55	1,217.67	-	-	-	-	2,768.22
Lease liabilities	812.12	(416.60)	-	551.29	-	92.32	1,039.13
Total liabilities from financing activities	2,362.67	801.07	-	551.29	-	92.32	3,807.35

For the year ended March 31, 2024

Particulars	March 31, 2023	Cash flows	Other non cash adjustments				March 31, 2024
			Adjustment on account of conversion of borrowing into equity	Addition in lease liabilities	Lease Liability written back during the year	Accretion of interest	
Borrowings	286.88	1,263.67	-	-	-	-	1,550.55
Lease liabilities	228.87	(280.14)	-	804.40	(14.61)	73.60	812.12
Total liabilities from financing activities	515.75	983.53	-	804.40	(14.61)	73.60	2,362.67

10 Current tax assets

	As at March 31, 2025	As at March 31, 2024
Tax deducted at source receivable	32.99	56.36
Total	32.99	56.36

11 Other current assets (unsecured, considered good)

	As at March 31, 2025	As at March 31, 2024
Balance with government authorities	461.94	335.56
Advances		
For goods and services	108.47	61.35
To employees	2.98	0.95
Prepaid expenses	46.14	31.94
Loan to employees	35.62	-
Other assets	1.85	1.85
Total	657.00	431.65

(This space has been intentionally left blank)

12 Equity share capital

(a) Details of share capital is as follows:

	As at March 31, 2025	As at March 31, 2024
Equity share capital		
Authorised		
300,000 (March 31, 2024: 300,000) equity shares of INR 10 each (March 31, 2024: INR 10 each)	30.00	30.00
Issued, subscribed and fully paid up		
277,232 (March 31, 2024: 269,303) equity shares of INR 10 each fully paid up (March 31, 2024: INR 10 each fully paid up)	27.72	26.93
	27.72	26.93

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

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

	No. in lacs	Amount
Equity shares		
At April 1, 2023	3.00	30.00
Increased during the year	-	-
At March 31, 2024	3.00	30.00
Increased during the year	-	-
At March 31, 2025	3.00	30.00

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

	No. in lacs	Amount
Equity shares		
At April 1, 2023	2.69	26.93
Issued during the year *	-	-
At March 31, 2024	2.69	26.93
Issued during the year (refer note 35 B)	0.08	0.79
At March 31, 2025	2.77	27.72

(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

	As at March 31, 2025		As at March 31, 2024	
Name of shareholder (Equity shares of INR 10 each)	No. in lacs	% holding in the equity shares	No. in lacs	% holding in the equity shares
Emami Limited (including held by nominees)	2.77	100.00%	1.36	50.40%
Parvesh Kumar	-	0.00%	0.39	14.51%
Hitesh Dhingra	-	0.00%	0.38	14.15%
Bhisham Bhateja	-	0.00%	0.19	7.20%

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, 2025

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, 2025	% change during the year
Emami Limited	1.36	1.41	2.77	100.00%	49.60%
Parvesh Kumar	0.39	(0.39)	-	0.00%	-14.51%
Hitesh Dhingra	0.38	(0.38)	-	0.00%	-14.15%
Bhisham Bhateja	0.19	(0.19)	-	0.00%	-7.20%

As at March 31, 2024

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, 2024	% change during the year
Emami Limited	1.36	-	1.36	50.40%	0.00%
Parvesh Kumar	0.39	-	0.39	14.51%	0.00%
Hitesh Dhingra	0.38	-	0.38	14.15%	0.00%
Bhisham Bhateja	0.19	-	0.19	7.20%	0.00%

13 Other equity

Retained earnings (refer (i))
Securities Premium (refer (ii))
Share-based payment reserve (refer (iii))
Total

As at March 31, 2025	As at March 31, 2024
(10,761.00)	(8,425.09)
8,891.09	7,891.87
-	202.96
(1,869.91)	(330.26)

(i) Retained earnings

At April 01, 2023

Add: Profit for the year

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

At March 31, 2024

Add: Loss for the year

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

Add: Adjustment on cancellation and settlement of share-based payments (refer note 32)

At March 31, 2025

Amount
(9,298.84)
882.58
(8.83)
(8,425.09)
(2,182.70)
(5.07)
(148.14)
(10,761.00)

(ii) Securities Premium

At April 01, 2023

Add: - Issuance of share capital

At March 31, 2024

Add: - Issuance of share capital (refer note 35 B)

At March 31, 2025

Amount
7,891.87
-
7,891.87
999.22
8,891.09

(iii) Share-based payment reserve

At April 01, 2023

Add: Compensation options granted during the year

(Less): Exercise of shares options

At March 31, 2024

Add: Compensation options granted during the year

Add: Adjustment on cancellation and settlement of share options (refer note 32)

At March 31, 2025

Amount
139.50
63.46
-
202.96
50.44
(253.40)
-

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 which has been cancelled and terminated vide board resolution dated September 05, 2024 and (refer note 32).

(This space has been intentionally left blank)

14 Borrowings

Non-current (unsecured)

Loan from related party (refer note (i))

As at March 31, 2025	As at March 31, 2024
805.00	-
805.00	-

Current (secured)

Cash credit (refer note (ii))

Letter of Credit facility from bank

1,963.22	1,403.14
-	147.41
1,963.22	1,550.55

Total current

Total non-current

1,963.22 **1,550.55**
805.00 **-**

Notes:

(i) During the current year, the Company has obtained unsecured loan from its holding company which is for a period of 5 years from the date of disbursement. The loan carries an interest rate of 9% p.a. (March 31, 2024 : Nil) (refer note 35 B).

(ii)

a) The Company has received sanction of the cash credit (including working capital demand loan) from the ICICI Bank Ltd. during the financial year 2022-23 amounting to INR 1600 lacs. The limit is bifurcated into INR 1000 lacs fund based cash credit of working capital demand loan, INR 500 lacs non fund based bank guarantee/ letter of credit and INR 100 lacs derivative loan. The said limit has been extended to 4100 lacs during FY 2024-25. The new limit is bifurcated into INR 3500 lacs as fund based cash credit of working capital demand loan, INR 500 lacs as non fund based bank guarantee/ letter of credit and INR 100 lacs derivative loan.

b) Working capital demand loan and letter of credit facility from bank is secured by hypothecation of trade receivables, inventories and property, plant and equipment.

c) Working capital demand loan carries interest of Repo Rate + 3.5% spread (March 31, 2024 : Repo Rate + 3.5% spread).

d) Letter of credit facilities is repayable within 120 days.

e) Borrowings from banks has not been used for the purpose other than for which it was taken during the year ended March 31, 2025 and March 31, 2024.

f) 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, 2025 and March 31, 2024.

g) The Company has not defaulted on any loans payable.

15 Other financial liabilities

Non-current

Capital creditors

As at March 31, 2025	As at March 31, 2024
-	5.14
-	5.14

Current

At amortised cost

Security deposits

Employee benefits payable

Interest payable#

Capital creditors

Other payables *

211.16	254.53
363.34	204.92
48.62	11.21
20.40	12.69
6.20	9.72
649.72	493.07

Total current

Total non-current

649.72 **493.07**
- **5.14**

#Includes interest payable to related party (refer note 35)

*Includes reimbursement payable to employees

(This space has been intentionally left blank)

16 Provisions

Non-current

Provision for gratuity (Refer note 31)

As at March 31, 2025	As at March 31, 2024
42.37	53.34
42.37	53.34

Current

Provision for Employee Benefits

Provision for gratuity (Refer note 31)

Provision for leave liability

25.97	37.75
31.47	42.36

Others

Provision for sales/damage return

56.83	-
114.27	80.11

Total current

114.27

Total non- current

42.37

17 Trade payables

Total outstanding dues of micro enterprises and small enterprises [Refer note (a) below]

Total outstanding dues of creditors other than micro enterprises and small enterprises

Total

As at March 31, 2025	As at March 31, 2024
299.00	283.47
3,638.95	4,789.89
3,937.95	5,073.36

Trade payables

Trade payables to related parties (refer note 35C)

3,921.39	5,073.36
16.56	-
3,937.95	5,073.36

Total

- (i) Trade payables are non-interest bearing and are normally settled on 0-90 day terms except for payables to MESE parties.
(ii) Refer note 35C for trade payables to related parties.
(iii) The amount due to micro enterprises and 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

- (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 enterprises and small enterprises

Interest due on above

As at March 31, 2025	As at March 31, 2024
227.62	238.31
71.38	45.16

- (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.

(This space has been intentionally left blank)

(iv) Trade payables ageing schedule

As at March 31, 2025 Particulars	Outstanding for following periods from transaction date					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	295.80	-	1.94	1.26	299.00
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	876.95	2,663.31	16.01	38.58	44.10	3,638.95
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	876.95	2,959.11	16.01	40.52	45.36	3,937.95

As at March 31, 2024 Particulars	Outstanding for following periods from transaction date					
	Not due	< 1 year	1-2 years	2-3 years	> 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	-	258.66	21.20	3.62	-	283.48
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	737.32	3,864.78	102.81	52.63	32.34	4,789.88
(iii) Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	737.32	4,123.44	124.01	56.25	32.34	5,073.36

18 Contract liability

Advance from customer
Total

As at March 31, 2025	As at March 31, 2024
26.91	17.22
26.91	17.22

19 Other current liabilities

Statutory dues payable
Total

As at March 31, 2025	As at March 31, 2024
75.41	81.94
75.41	81.94

(This space has been intentionally left blank)

20 Revenue from operations	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products	14,981.82	17,588.48
Other operating revenue (refer (d) below)	409.89	703.56
Total revenue from operations	15,391.71	18,292.04
(a) Reconciliation of sale of products:		
Finished Goods	16,081.44	18,531.19
Packing material/ raw material	2,046.21	1,333.83
Less: Sales return provision	12.58	(17.71)
Less: Schemes & Discount	(1,112.20)	(925.00)
Sale of products (net)	17,028.03	18,922.31
Less: Sale of packing material/ raw material	(2,046.21)	(1,333.83)
Total	14,981.82	17,588.48
Timing of revenue recognition		
Goods transferred at a point in time	14,981.82	17,588.48
Total revenue from contracts with customers	14,981.82	17,588.48
(b) Contract balances	For the year ended March 31, 2025	For the year ended March 31, 2024
Trade receivables (refer note 8)	2,229.91	3,900.00
Contract liabilities (refer note 18)	26.91	17.22
Changes in contract liability are as follows:		
Balance at the beginning of the year	17.22	63.43
Performance obligations satisfied in current year	(17.22)	(63.43)
Addition in contract liabilities during the year	26.91	17.22
Balance at the end of the year	26.91	17.22
(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price:	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price	16,081.44	18,531.19
Less: Sales return provision	12.58	(17.71)
Less: Schemes & Discount	(1,112.20)	(925.00)
Revenue from contracts with customers	14,981.82	17,588.48
(d) Other operating revenue	For the year ended March 31, 2025	For the year ended March 31, 2024
Shipping income	319.42	505.79
Marketing & sales promotion	90.47	197.77
Total other operating revenue	409.89	703.56
(e) Performance Obligation		
Sale of products		
The performance obligation is satisfied when the Company transfers the control of goods to the customer as per the terms of contract.		
Other operating revenue:		
Income from other operating revenue, primarily comprising of shipping income, marketing income, franchise fees. Performance obligation is satisfied for shipping fees and marketing income on completion of service.		
The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31 are, as follows:		
	March 31, 2025	March 31, 2024
Within one year	26.91	17.22
More than one year	-	-
	26.91	17.22
21 Other income	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost:		
Fixed deposits	3.22	9.12
Interest income on security deposits	13.43	8.39
Interest income on Income tax refund	2.84	2.83
Foreign exchange fluctuations gain (net)	0.77	-
Gain on derecognition of Right of Use Assets and Lease Liabilities	-	2.56
Liabilities no longer required written back	12.23	213.70
Miscellaneous income*	6.38	16.46
Total	38.87	253.06
(*) includes scrap sale		

(This space has been intentionally left blank)

22 Purchases of packing material and traded goods

Finished goods
Packing material/ raw material (net)
Total

For the year ended March 31, 2025	For the year ended March 31, 2024
5,561.49	6,775.42
273.07	438.84
5,834.56	7,214.26

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

Opening balance

Finished Goods
Raw materials & packing materials
Less: Provision for inventories

Total opening balance (A)

For the year ended March 31, 2025	For the year ended March 31, 2024
1,800.96	987.33
200.05	114.41
(1.17)	(61.67)
1,999.84	1,040.07

Closing balance

Finished Goods
Raw materials & packing materials
Less: Provision for inventories

Total closing balance (B)

Change in inventory (A-B) *

2,033.77	1,800.96
232.06	200.05
(113.68)	(1.17)
2,152.15	1,999.84
(152.31)	(959.77)

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

24 Employee benefits expense

Salaries, wages and bonus
Contribution to provident and other funds
Expense on share-based payments (refer note 32)
Gratuity expense (refer note 31)
Staff welfare expenses
Total

For the year ended March 31, 2025	For the year ended March 31, 2024
2,122.10	1,650.63
75.72	60.48
50.44	63.46
22.41	19.72
50.65	45.67
2,321.32	1,839.96

(This space has been intentionally left blank)

Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)
Notes to Financial Statements for the year ended March 31, 2025
CIN-U24297HR2013PLC048437
(All amounts are in INR lacs unless otherwise stated)

25 Finance costs

Interest costs :

-Interest on financial liabilities carried at amortised cost - borrowings

-Interest on lease liability

-Interest on late payment to MESE vendors

-Interest on late payment to non-MESE vendors

Bank charges

Total

**For the year ended
March 31, 2025**

175.84

92.32

26.22

-

28.48

322.86

90.70

73.60

29.16

14.65

33.33

241.44

26 Depreciation and amortisation expense

Depreciation on property plant and equipments (refer note 3)

Amortisation on intangible assets (refer note 4b)

Amortisation on Right-of-use assets (note note 4a)

Total

**For the year ended
March 31, 2025**

60.13

2.62

364.21

426.96

57.45

2.70

257.13

317.28

27 Other expenses

Advertising and sales promotion expenses

Freight cartage and other distribution cost

Legal and professional charges

Warehouse management cost

Travelling and conveyance

Technology cost

Rent

Commission on sales

Communication expenses

Consumables (packing material)

Foreign exchange fluctuations loss (net)

Insurance

Payments to auditors (see note (i) below)

Power and fuel

Rates & taxes

Product development expenses

Repair & maintenance

- building

- others

Impairment allowances on financial assets

Bad-debt written off

Miscellaneous expenses*

Loss on sale/ discard of property plant & equipment

Total

*Includes office expense, car parking expense etc

**For the year ended
March 31, 2025**

4,569.24

1,236.03

102.06

367.65

104.95

240.46

463.23

1,424.05

12.46

154.30

-

14.75

30.79

27.32

22.67

4.02

30.25

13.39

73.81

-

23.69

-

8,915.12

4,121.54

1,819.70

108.93

532.44

56.43

256.40

446.98

1,227.29

12.09

134.08

2.34

10.21

96.16

24.62

32.98

11.00

53.34

35.00

25.59

4.95

8.23

2.46

9,022.76

Note (i)

As auditors (excluding GST)

- audit fees*

In other capacity

- other services#

- reimbursement of expenses^

30.00

-

0.79

30.79

25.50

70.00

0.66

96.16

(*) includes INR 4.12 lacs (March 31, 2024: INR 25.50 lacs) paid to preceding auditor.(#) paid to preceding auditor

(^) includes INR 0.37 lacs (March 31, 2024: INR 0.66 lacs) paid to preceding auditor.

(This space has been intentionally left blank)

28 Components of Other Comprehensive Income (OCI)

During the year ended March 31, 2025

Particulars	Retained earnings INR lacs	Total INR lacs
Re-measurement (loss) on defined benefit plans	(6.77)	(6.77)
Total	(6.77)	(6.77)

During the year ended March 31, 2024

Particulars	Retained earnings INR lacs	Total INR lacs
Re-measurement (loss) on defined benefit plans	(11.94)	(11.94)
Total	(11.94)	(11.94)

29 Earnings per equity shares

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

Diluted loss/ earning per equity share has been computed by dividing the loss/ profit 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, 2025	For the year ended March 31, 2024
Net (loss)/ earning after tax attributable to equity shareholders	(INR lacs)	(2,182.70)	882.58
Number of shares considered as weighted average shares for calculation of basic earnings per share	No. in lacs	2.72	2.69
Number of shares considered as weighted average shares for calculation of diluted earnings per share	No. in lacs	2.72	2.73
Nominal value of equity shares	INR	10	10
Basic earning per share	INR	(803.43)	327.73
Diluted earning per share*	INR	(803.43)	323.47

*There are no potential equity shares as on March 31, 2025 in form of employee stock option. However, there were potential equity shares as on March 31, 2024 in form of employee stock option which had been cancelled and terminated during FY 2024-25 (refer note 32).

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

There is no material impact on other comprehensive income or the basic and diluted earning per share.

(This space has been intentionally left blank)

30 Income taxes	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Income tax recognised in profit and loss section		
Current tax:		
Current tax on loss/ (profit) for the year	-	-
Adjustments in respect of current income tax of earlier periods	-	-
Total current tax	-	-
Deferred tax:		
Origination and reversal of temporary differences (refer note 6)	(55.23)	(13.41)
Total deferred tax	(55.23)	(13.41)
Total tax expense recognised in statement of profit and loss	(55.23)	(13.41)
(b) Income tax recognised in other comprehensive income section	For the year ended March 31, 2025	For the year ended March 31, 2024
Items that will not be reclassified to profit or loss		
-Re-measurement of defined benefit plans	(1.70)	(3.11)
Total	(1.70)	(3.11)

(c) The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(Loss)/ profit before tax	(2,237.93)	869.17
Accounting (loss)/ profit before income tax	(2,237.93)	869.17
Statutory income tax rate	25.17%	26.00%
Tax at statutory income tax rate	(563.24)	225.98
Impact of change in tax rate [refer note (i)]	7.84	-
Expenses not allowable	(6.60)	(24.28)
Unabsorbed / (Utilisation) of business losses and on which no deferred tax recognised*	506.77	(215.11)
Income tax expense recognised in statement of profit and loss	(55.23)	(13.41)

*No deferred tax asset has been recognised since it is not probable that the taxable profits will be available against which the unutilised tax losses and unabsorbed depreciation can be utilised.

Note (i)

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred tax asset (net) basis the rate prescribed in the said section. Accordingly, deferred tax asset have reduced by INR 7.84 lacs. There is no impact on provision for income tax as the Company has reported taxable loss in the current year.

(This space has been intentionally left blank)

31 Employee benefits obligations

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 63.35 lacs (March 31, 2024: INR 50.35 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

Present value of obligation at beginning of the year

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest cost	91.09	72.49
Current service cost	6.46	5.19
Actuarial loss on obligation	15.94	14.52
- Economic assumptions	(6.48)	8.52
- Demographic assumptions	2.78	(4.05)
- Experience adjustment	10.48	7.47
Benefits paid	(51.93)	(13.06)
Present value of obligation at the closing of the year	68.34	91.09

Balance Sheet

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	68.34	91.09
Fair value of plan assets	-	-
Present value of defined benefit obligation (net)	68.34	91.09
Current	25.97	37.75
Non-current	42.37	53.34

Expenses recognised in Statement of profit and loss

	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	15.94	14.52
Interest cost on benefit obligation	6.46	5.19
Net benefit expense	22.40	19.71

Expenses recognised in Statement of other comprehensive income

	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (gains) / losses		
- change in financial assumptions	(6.48)	8.52
- change in demographic assumptions	2.78	(4.05)
- experience variance (i.e. Actual experience vs assumptions)	10.48	7.47
	6.78	11.94

(This space has been intentionally left blank)

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

	March 31, 2025	March 31, 2024
Discount rate	6.50%	7.10%
Future salary increase	10.00%	15.00%
Average expected future working life (years)	36.09	36.27
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%	45%
- BA	100%	100%

*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:

	March 31, 2025	March 31, 2024
Impact of the change in discount rate		
a) Impact due to increase of 1.0 %	66.55	88.98
b) Impact due to decrease of 1.0 %	70.23	93.30
Impact of the change in salary growth rate		
a) Impact due to increase of 1.0 %	70.12	92.57
b) Impact due to decrease of 1.0 %	66.61	89.65
Impact of the change in attrition rates increase		
a) Impact due to increase of 50.0 %	59.33	82.70
b) Impact due to decrease of 50.0 %	87.38	112.25
Impact of the change in mortality rate		
a) Impact due to increase of 10.0 %	68.35	91.09
b) Impact due to decrease of 10.0 %	68.34	91.09

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:

	March 31, 2025	March 31, 2024
Year 1	25.97	37.75
Year 2 to 5	43.90	60.10
Year 6 to 10	11.34	10.57
More than 10 years	1.52	1.00
Total expected payments	82.73	109.42

The average duration of the defined benefit plan obligation at the end of the reporting year is 2 years (March 31, 2024: 2 years).

(This space has been intentionally left blank)

32 Share-based payments :

- 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 has not granted options during 2024-25 to the 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, 2025 is INR 50.44 lacs (March 31, 2024:- INR 63.46 lacs)

5) Movement during the year ended March 31, 2025 and March 31, 2024 -

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
	No. of options	Weighted Average Exercise Prices	No. of options	Weighted Average Exercise Prices
Outstanding at the beginning of the year	3,544	10.00	2,920	10.00
Add: Granted during the year	-	-	862	10.00
Less: Lapsed during the year	(31)	10.00	(238)	10.00
Less: Exercised during the year	-	-	-	-
Less: Cancelled and terminated during the year*	3,513	-	-	-
Outstanding at the end of the year	-	-	3,544	10.00
Options exercisable at the end of the year	-	-	1,796	10.00

* During the FY 2024-25, the Company terminated and cancelled 1101 outstanding unvested employee stock options and 2412 outstanding vested employee stock options. This cancellation of unvested employee stock options resulted into an accelerated share based payment expense of INR 37.27 lacs (included in above charge under table (4)) in the Statement of profit and loss for the year ended March 31, 2025. The ESOP reserve amounting to INR 253.40 lacs as on the date of the termination and cancellation includes INR 156.08 lacs against the outstanding vested employee stock options which has been settled against the options at INR 304.20 lacs. The excess amount of INR 148.12 lacs have been accounted for as a deduction from equity (refer note 13).

- 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, 2024: INR 10)
 Weighted average fair value per Option : INR 7,213.89 (March 31, 2024: INR 7,226.75)

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, 2025	
Expense on grant of options	52.97
Reversal on account of lapse	(2.53)
Impact in profit and loss account	50.44
For the year ended March 31, 2024	
Expense on grant of options	65.68
Reversal on account of lapse	(2.22)
Impact in profit and loss account	63.46

33 Leases

Company as a lessee

Particulars	As at March 31, 2025	As at March 31, 2024
Assets		
Right-of-use assets (Refer Note 4a)	968.58	769.09
Liabilities		
Lease Liabilities	1,039.13	812.12

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 year:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	769.09	213.94
Addition during the year	563.70	826.24
Depreciation for the year	(364.21)	(257.13)
Disposals during the year (net of depreciation)	-	(13.96)
Balance at the end of the year	968.58	769.09

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

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	812.12	228.87
Addition during the year	551.29	804.40
Accretion of interest	92.32	73.60
Payments (including interest)	(416.60)	(280.14)
Derecognition	-	(14.61)
Balance at the end of the year	1,039.13	812.12
Current	331.20	268.90
Non-Current	707.93	543.22

The effective interest rate for lease liabilities is 10% in FY 2024-25 additions (March 31, 2024: 10%).

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

	March 31, 2025	March 31, 2024
Depreciation on right-of used assets	364.21	257.13
Interest on lease liabilities	92.32	73.60
Expense relating to short term and low value asset leases (included in other expenses)	463.23	446.98
Gain on derecognition of right of use assets and lease liabilities (net)	-	2.56
Total amount recognised in Statement of Profit and Loss	919.76	780.27

Impact on Statement of Cash Flows

Particulars	March 31, 2025	March 31, 2024
Payment of principal portion of lease liabilities	324.28	206.54
Payment of Interest portion of lease liabilities	92.32	73.60
Net Cash flows used in financial activities	416.60	280.14

Maturity analysis of lease liabilities are as follows:

	As at March 31, 2025	As at March 31, 2024
1 year	423.14	337.26
2-5 years	778.86	634.61
5 years and above	-	-

(This space has been intentionally left blank)

34 Segment information

A. Basis for segmentation

The Company is engaged in trading of cosmetics products, which is a single reportable segment as considered by Chief Operating Decision Maker (CODM). The management has considered that the Company has a single reportable segment based on nature of products, production process, regulatory environment, customers and distribution methods.

B. Geographic Information

The Company operates only in one country and does not have any separate identifiable geographic segment.

C. Major customer

Net revenue from one customer for year ended March 31, 2025 amounted to INR 2,259.40 lacs which is more than 10% of the Company's revenue for the year ended March 31, 2025 (March 31, 2024 - INR 4,594.24 lacs).

35 Related Party Disclosures

A. List of related parties

Related party relationship

Key management personnel (KMP)

Name of related party

Bhisham Bhateja (Director)
Hitesh Dhingra (Director)
Zairus Master (Director cum CEO) [w.e.f. 19-03-2025]

Holding Company (From November 11, 2024, the company is wholly owned subsidiary to the investing Company)

Emami Limited

Fellow Subsidiary

Brillare Science Private Limited

Associate Company of the Holding Company

Cannis Lupus Services India Pvt Ltd

(This space has been intentionally left blank)

B. Transactions during the year

The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I. With related parties other than II below:		
a. Reimbursement made		
Emami Limited	-	1.99
Total	-	1.99
b. Issue of Share Capital		
Emami Limited	0.79	-
Total	0.79	-
c. Share Premium received		
Emami Limited	999.22	-
Total	999.22	-
d. Loan taken		
Emami Limited	805.00	-
Total	805.00	-
e. Finance Cost- Interest on loan		
Emami Limited	37.64	-
Total	37.64	-
f. Sale of Products		
Emami Limited	51.40	80.38
Cannis Lupus Services IndiaPvt Ltd	4.34	-
Total	55.74	80.38
g. Service Income		
Brillare Science Pvt Ltd	1.35	-
Total	1.35	-
h. Purchase of Products		
Brillare Science Pvt Ltd	14.99	-
Total	14.99	-
II. With key management personnel (KMP)		
a. Sale of products		
Bhisham Bhateja	-	0.37
Hitesh Dhingra	-	0.09
Total	-	0.46
b. Remuneration paid		
Bhisham Bhateja #	66.49	88.41
Zairus Master *	6.98	-
Hitesh Dhingra #	72.66	88.41
Total	146.13	176.82
c. Reimbursement made		
Bhisham Bhateja	1.39	7.74
Hitesh Dhingra	0.77	2.97
Total	2.16	10.71

Note

Mr. Bhisham Bhateja and Mr. Hitesh Dhingra ("KMP's") has resigned from the managerial position of the Company w.e.f. September 05, 2024. However, they are non-executive directors as on March 31, 2025. The remuneration to the KMP includes the gratuity benefits payable to them as on date of the resignation and also includes the bonus/ incentive paid to them during the Financial Year 2024-25.

*This represent amount recognised as an expense during the financial year related to KMP. The amounts do not include expense, if any, recognised toward post-employment benefits and other long-term benefits of key managerial personnel. Such expenses are measured based on an actuarial valuation done for the Company as a whole. Hence, amounts attributable are not separately determinable.

C. Balances outstanding at the year end

Particulars	As at March 31, 2025	As at March 31, 2024
I. With other related parties:		
a. Trade receivable		
Emami Limited	38.87	1.60
Brillare Science Pvt Ltd	0.47	-
Total	39.34	1.60
b. Trade Payables		
Brillare Science Pvt Ltd	16.56	-
Total	16.56	-
c. Borrowings		
Emami Limited	805.00	-
Total	805.00	-
d. Interest accrued but not due on above borrowings (excluding TDS)		
Emami Limited	33.87	-
Total	33.87	-
II. With key management personnel (KMP)		
a. Other Payables		
Director remuneration-Bhisham Bhateja	-	18.17
Director remuneration-Hitesh Dhingra	-	17.75
Director remuneration-Zairus Master	6.98	-
Reimbursement-Bhisham Bhateja	-	1.08
Total	6.98	37.00

(This space has been intentionally left blank)

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 Company. 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 and the requirements of the financial covenants. 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, 2025	As at March 31, 2024
Lease liability	1,039.13	812.12
Borrowings	2,768.22	1,550.55
Interest accrued but not due on borrowings	48.62	11.21
Less: Cash and cash equivalents	(32.15)	(69.17)
Net debts	3,823.82	2,304.71
Equity share capital	27.72	26.93
Other equity	(1,869.91)	(330.26)
Total capital	(1,842.19)	(303.33)
Capital and net debt	1,981.63	2,001.38
Gearing ratio	192.96%	115.16%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

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.

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:

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.

Financial instruments by category

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets (at amortised cost)		
Trade receivables	2,229.91	3,900.00
Cash and cash equivalents	32.15	49.17
Other bank balances	-	20.00
Other financial assets - current	206.76	157.32
Other financial assets - non-current	130.11	142.91
Total	2,598.93	4,269.40
Financial liabilities (at amortised cost)		
Lease liabilities	1,039.13	812.12
Borrowings	2,768.22	1,550.55
Trade payables	3,937.96	5,073.36
Other financial liabilities - current	649.72	493.07
Other financial liabilities - non-current	-	5.14
Total	8,395.03	7,934.24

Particulars	Fair value hierarchy	Carrying value As at		Fair value As at	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2025
Financial liabilities					
Fixed rate long term borrowings	Level 2	805.00	-	805.00	-
Total		805.00	-	805.00	-

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.

There have been no transfers between level 1, level 2 and level 3 during the year ended March 31, 2025 and March 31, 2024.

Discount rate used in determining fair value

The fair values of the Company's interest-bearing borrowings are determined through income approach using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

38 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, 2025			
	on demand	Less than 1 year	More than 1 year	Total
Borrowings	-	1,963.22	805.00	2,768.22
Lease liabilities	-	423.14	778.86	1,202.00
Trade payables	-	3,937.96	-	3,937.96
Other financial liabilities	-	649.72	-	649.72
Total	-	6,974.04	1,583.86	8,557.90

Financial liabilities	As at March 31, 2024			
	on demand	Less than 1 year	More than 1 year	Total
Borrowings	-	1,550.55	-	1,550.55
Lease liabilities	-	337.26	634.61	971.87
Trade payables	-	5,073.36	-	5,073.36
Other financial liabilities (including non-current)	-	493.07	5.14	498.21
Total	-	7,454.24	639.75	8,093.99

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, 2025, the Company had eight customer (March 31, 2024: thirteen customers) that owed the Company more than INR 50 lacs each and accounted for approximately 80% (March 31, 2024: 86%) of all the receivables outstanding. As on March 31, 2025, there is no customer (March 31, 2024: one customer) with a balance greater than INR 1,000 lakhs, which accounted for just over 55% of the total amount receivable as on March 31, 2024.

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 0 to 90 days normal credit period to its customers.

(This space has been intentionally left blank)

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

	As at March 31, 2025	As at March 31, 2024
Gross carrying amount	2,690.31	4,292.42
Provision for bad and doubtful debts	(460.40)	(392.42)
Carrying amount of trade receivables (net of impairment)	2,229.91	3,900.00

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.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, being a 0.5% increase or decrease in interest rate, with all other variables held constant, of the Company's loss before tax due to the impact on floating rate borrowings.

	Effect on (loss)/profit before tax	
	March 31, 2025	March 31, 2024
Interest rate		
Increase by 50 bps	9.82	7.75
Decrease by 50 bps	(9.82)	(7.75)

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 not material as of now.

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

Particulars	As at March 31, 2025		As at March 31, 2024	
	Foreign currency amount (in lacs)	Rupee equivalent (INR lacs)	Foreign currency Amount (in lacs)	Rupee equivalent (INR lacs)
United States Dollar (USD)	0.31	26.90	0.22	18.70
Australian dollars (AUD)	0.11	5.83	-	-
Arab Emirates dirham (AED)	-	-	0.02	0.48
Great Britain Pound (GBP)	0.03	3.27	0.03	3.11
	0.45	36.00	0.27	22.29

Foreign currency sensitivity

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 (loss)/profit before tax	
	March 31, 2025	March 31, 2024
USD		
Increase by 5% in forex rate	1.34	0.93
Decrease by 5% in forex rate	(1.34)	(0.93)
AUD		
Increase by 5% in forex rate	0.29	-
Decrease by 5% in forex rate	(0.29)	-
AED		
Increase by 5% in forex rate	-	0.02
Decrease by 5% in forex rate	-	(0.02)
GBP		
Increase by 5% in forex rate	0.16	0.16
Decrease by 5% in forex rate	(0.16)	(0.16)

(This space has been intentionally left blank)

39 Ratio analysis and its element

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% change	Reason for variance in excess of 25%
Current ratio	Current Assets	Current Liabilities	0.75	0.87	-14%	NA
Debt- Equity Ratio	Total Debt (including lease liabilities)	Shareholder's Equity	(2.09)	(7.79)	-73%	In the previous year, there was profit of INR 882.58 lacs. However, in the current year, there is loss of INR 2,182.70 lacs leading into significant change in the ratio.
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses & income and finance cost	Debt service = Interest & Lease Payments + Principal Repayments	(3.08)	5.16	-160%	In the previous year, there was profit of INR 882.58 lacs. However, in the current year, there is loss of INR 2,182.70 lacs leading into significant change in the ratio.
Return on Equity ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	-203.47%	-114.33%	78%	In the previous year, there was profit of INR 882.58 lacs. However, in the current year, there is loss of INR 2,182.70 lacs leading into significant change in the ratio.
Inventory Turnover ratio	Cost of goods sold	Average Inventory = (Opening + Closing)/2	2.74	4.11	-33%	Cost of goods sold has decreased by INR 572.24 lacs and average inventory have increased by INR 556.04 lacs as at March 31, 2025 as compared to March 31, 2024.
Trade Receivable Turnover Ratio*	Net credit sales = Gross credit sales - sales return	Average Trade Receivable = (Opening + Closing)/2	5.02	7.65	-34%	Net credit sales have decreased by INR 2,900.34 lacs and average trade receivables have increased by INR 672.64 lacs as at March 31, 2025 as compared to March 31, 2024.
Trade Payable Turnover Ratio**	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables = (Opening + Closing)/2	3.27	3.93	-17%	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	(3.73)	(19.24)	-81%	Net credit sales have decreased by INR 2,900.34 lacs and average trade receivables have increased by INR 672.64 lacs as at March 31, 2025 as compared to March 31, 2024.
Net Profit ratio	Net Profit (after tax)	Net sales = Total sales - sales return	-14.18%	4.82%	-394%	Movement is due to higher marketing spends in current year and decreased sales during current FY leading to loss in the current year in comparison of the profits during previous year.
Return on Capital Employed	Earnings before interest, taxes and other income	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability/ assets	-97.96%	42.24%	-332%	Earnings before interest and taxes has decreased by INR 2,811.49 lacs during the financial year ended March 31, 2025 as compared to financial year ended March 31, 2024. Further, Capital employed has decreased by INR 45 lacs as at March 31, 2025 as compared to March 31, 2024.
Return on Investment - mutual funds	Interest income earned on mutual funds (note 1)	Time weighted investment value (note 2)	0.00%	0.00%	-	Not applicable as the Company does not have investments in mutual funds.
Return on Investment - Fixed deposit	Interest income earned on fixed deposits (note 1)	Time weighted investment value (note 2)	1.70%	1.95%	-13%	NA

* 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 $[T1-t]/T1$.)

(This space has been intentionally left blank)

40 Commitments and contingent liabilities

(A) Commitments

Estimated amount of contracts remaining to be executed on capital account and not recognised as liabilities is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Commitments: Estimated amount of the commitments (net of advances of INR 3.10 lacs (March 31, 2024 - INR 4.35 lacs))	3.12	13.07
Total	3.12	13.07

(B) Contingent liabilities

There is contingent liability with respect to the bank guarantees issued as performance guarantee as of March 31, 2025 INR 359.06 lacs (March 31, 2024 : 279.06 Lacs).

41 Social Security Code

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. Certain sections of the Code came into effect on May 03, 2024. However, the final rules/interpretation have not yet been issued. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

42 Other Statutory Information

- i) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii) There are no charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years.
- iv) 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.
- v) 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.
- vi) 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).
- vii) The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- viii) 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 Companies Act, 2013.
- ix) 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.
- x) The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).
- xi) The Group has two Core investment Company as a part of the Group.
- xii) The Company has incurred average net loss in the period of three immediately preceding financial years and hence, it is not required to spend any money under sub section (5) of section 135 of the Act.
- xiii) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from a bank on the basis of security of current assets of the Company. In this regard, the Quarterly returns / Statements containing details of current assets filed by the Company with bank are in agreement with the unaudited books of account of the Company.
- xiv) The Company does not have any transaction or relationships with any companies struck off under section 248 of the Companies Act, 2013.

43 As at March 31, 2025, the Company has current ratio of 0.75 times (March 31, 2024 : 0.87 times). The Company expects to settle all the short-term obligations as and when they fall due. Additionally, the Company has received a financial support letter from its Holding Company (i.e. Emami Limited). Accordingly, the financial statements are prepared basis going concern assumption.

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 upto the financial year ended March 31, 2025.

45 Audit trail

The Company has used accounting software i.e. Tally Prime Gold, HROne and Unicommerce for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of previous year has not been preserved as per the statutory requirements for record retention.

46 Significant events after the reporting period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

47 Approval of financial statements

The financial statements for the year ended March 31, 2025 were approved for issue by the Board of Directors on May 14, 2025.

As per our reports of even date

For S.R. Batiiboi & Co. LLP

Chartered Accountants

ICAI Firm Registration No.- 301003E/E300005

For and on behalf of the Board of Directors

of Helios Lifestyle Limited (Formerly known as Helios Lifestyle Private Limited)

per Sanjay Agarwal

Partner

Membership No.- 055833

Place : Kolkata

Date : May 14, 2025

Zairus Master

CEO and Director

DIN-09485679

Place : Gurugram

Date : May 14, 2025

Bhisham Bhateja

Director

DIN-06399900

Place : Gurugram

Date : May 14, 2025