

**ROSSARI PERSONAL CARE PRODUCTS  
PRIVATE LIMITED**

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**FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

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**SANJAY VICHARE & CO.**  
**Chartered Accountants**

B- 304, Sarvoday Orchid, Nandivali Road, Near Sarvoday Park, Dombivali (East) -421201  
Email: [casanjayvichare@gmail.com](mailto:casanjayvichare@gmail.com) Mobile No: 8879090197

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**Independent Auditors' Report**

To the Members of **Rossari Personal Care Products Private Limited**

**Report on the Financial Statements:**

We have audited the accompanying financial statements of **Rossari Personal Care Products Private Limited** ("the Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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, 2022, and its profits, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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

Reporting of key audit matters as per SA 701, are not applicable to the Company as it is an unlisted company.

**Information other than the financial statements and auditors' report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 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.

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

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

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

(c) The balance sheet, the statement of profit and loss, 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 31<sup>st</sup> March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and

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

- i. The Company 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;  
  
(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid dividend during the year.

**For Sanjay Vichare & Co.**  
**Chartered Accountants**  
**Firm Registration No.148656W**

**Sanjay Vichare**  
**Proprietor**  
**Membership No.166202**

**Place: Mumbai**  
**Date: 11<sup>th</sup> May 2022**  
**UDIN: 22166202AKCGGR4414**

## **ANNEXURE 'A' TO THE AUDITORS' REPORT**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Audit Report of even date)**

- i. (a) (A)The Company has maintained proper records showing full particulars, including quantitative details & situation of Property, Plant and Equipment;  
  
(B)The Company has maintained proper records showing full particulars of intangible assets;  
  
(b)As explained to us, the Property, Plant and Equipment have been physically verified by the management at regular intervals & as informed to us no material discrepancies were noticed on such verification;  
  
(c) The Company does not have any immovable property;  
  
(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year;  
  
(e) The Company does not have any immovable property and as explained to us there is no proceeding initiated Or is pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;
- ii. The Company does not have any closing inventory during the year; accordingly reporting under clause 3(ii) of the Order is not applicable to the Company;
- iii. The Company has not made any investments in, has not provided any guarantee or security or has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly reporting under clause 3(iii) of the Order is not applicable to the Company;
- iv. The Company has not given any loans, investments guarantees, security and hence the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable. Accordingly reporting under clause 3(iv) of the Order is not applicable to the Company;
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits and accordingly paragraph 3 (v) of the Order is not applicable to the Company;
- vi. As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the activities of the company and accordingly paragraph 3(vi) of the Order is not applicable to the Company;
- vii. According to information and explanations given to us and on the basis of our examination of the books of account and records, in respect of statutory dues:
  - a) The Company has been generally regular in depositing undisputed statutory dues including Income-Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There was no undisputed amounts payable in respect of Income-Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they become payable;
  - b) There are no dues of Income-Tax, Goods and Service Tax, Cess outstanding on account of any dispute;
- viii. According to information and explanations given to us and on the basis of our examination of the books of account & records, there are no transactions recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and accordingly paragraph 3(viii) of the Order is not applicable to the Company;

- ix. In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any lender during the year. Accordingly reporting under clause 3(ix) of the Order is not applicable to the Company;
- x. During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Also during the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible). Accordingly, reporting under clause 3(x) of the Order is not applicable to the Company;
- xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that:
- a) No fraud by the Company or on the Company has been noticed or reported during the year;
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report;
- c) There is no whistle-blower complaints received during the year and upto the date of this report, by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company;
- xiii. According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards;
- xiv. a) The Company has adequate internal audit system commensurate with the size and nature of its business;  
b) Internal Audit is not applicable to the Company;
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the Company;
- xvi. According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company;
- xvii. The Company has not incurred cash losses in the current financial year but there are cash losses in immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditor during the year;
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. Based on the applicability criteria the Company is not required to spend any amount towards Corporate Social Responsibility. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For Sanjay Vichare & Co.**  
**Chartered Accountants**  
**Firm Registration No.148656W**

**Sanjay Vichare**  
**Proprietor**  
**Membership No.166202**

**Place: Mumbai**  
**Date: 11<sup>th</sup> May 2022**  
**UDIN: 22166202AKCGGR4414**



## **Annexure 'B' to the Auditors' Report**

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

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of Audit Report of even date)**

We have audited the internal financial controls over financial reporting of **Rossari Personal Care Products Private Limited**, as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company 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, 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted 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 over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

**For Sanjay Vichare & Co.**  
**Chartered Accountants**  
**Firm Registration No.148656W**

**Sanjay Vichare**  
**Proprietor**  
**Membership No.166202**

**Place: Mumbai**  
**Date: 11<sup>th</sup> May 2022**  
**UDIN:22166202AKCGGR4414**

## ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED

## Balance Sheet as at 31st March, 2022

(Currency: Indian Rupees in Millions, unless stated otherwise)

Particulars		Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>				
<b>I NON-CURRENT ASSETS</b>				
(a)	Property, Plant and Equipment	3	0.21	0.63
(b)	Intangible Assets	4	0.03	-
(c)	Income Tax Assets (Net)	5	1.02	1.01
(d)	Deferred Tax Assets (Net)	6	0.54	0.51
<b>TOTAL NON-CURRENT ASSETS</b>			<b>1.80</b>	<b>2.15</b>
<b>II CURRENT ASSETS</b>				
(a)	Financial Assets			
	(i) Trade Receivables	7	0.47	33.57
	(ii) Cash and Cash Equivalents	8	0.14	1.56
	(iii) Bank Balances other than (ii) above	9	0.07	0.05
	(iv) Other Financial Assets	10	0.37	0.40
(b)	Other Current Assets	11	2.90	0.11
<b>TOTAL CURRENT ASSET</b>			<b>3.95</b>	<b>35.69</b>
<b>TOTAL ASSETS</b>			<b>5.75</b>	<b>37.84</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a)	Equity Share Capital	12	5.00	5.00
(b)	Other Equity	13	(3.48)	(4.99)
<b>TOTAL EQUITY</b>			<b>1.52</b>	<b>0.01</b>
<b>LIABILITIES</b>				
<b>I NON-CURRENT LIABILITIES</b>				
(a)	Provisions	14	-	0.28
<b>TOTAL NON-CURRENT LIABILITIES</b>			<b>-</b>	<b>0.28</b>
<b>II CURRENT LIABILITIES</b>				
(a)	Financial Liabilities			
	(i) Trade Payables			
	(a) Total outstanding dues of Micro Enterprises and Small Enterprises		-	-
	(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	15	3.07	18.67
	(ii) Other Financial Liabilities	16	1.14	18.36
(b)	Provisions	17	-	0.01
(c)	Other Current Liabilities	18	0.02	0.51
<b>TOTAL CURRENT LIABILITIES</b>			<b>4.23</b>	<b>37.55</b>
<b>TOTAL EQUITY AND LIABILITIES</b>			<b>5.75</b>	<b>37.84</b>

Note:

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

In terms of our report attached.

**For Sanjay Vichare & Co.**

Chartered Accountants

Firm Registration No.148656W

**For and on behalf of the Board of Directors of  
Rossari Personal Care Products Private Limited****Sanjay Vichare**

Proprietor

Membership No:166202

**EDWARD MENEZES**

Director

DIN: 00149205

**SUNIL CHARI**

Director

DIN: 00149083

Place: Mumbai

Date: 11th May 2022

UDIN : 22166202AKCGGR4414

Place: Mumbai

Date: 11th May 2022

**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2022**  
*(Currency: Indian Rupees in Millions, unless stated otherwise)*

Sr.No.	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I	Revenue from operations	19	59.13	40.49
II	Other Income	20	0.60	12.68
<b>III</b>	<b>Total Income (I + II)</b>		<b>59.73</b>	<b>53.17</b>
<b>IV</b>	<b>EXPENSES</b>			
(a)	Purchase of Stock-in-trade(net)	21	44.63	37.28
(b)	Employee benefits expense	22	7.55	15.13
(c)	Finance Costs	23	-	-
(d)	Depreciation and amortization expense	24	0.41	0.29
(e)	Other expenses	25	5.66	6.72
	<b>Total Expenses</b>		<b>58.25</b>	<b>59.42</b>
<b>V</b>	<b>Profit/(loss) before tax (III - IV)</b>		<b>1.48</b>	<b>(6.25)</b>
<b>VI</b>	<b>Tax Expense</b>	26		
	Current tax		-	-
	Deferred tax		(0.03)	-
	<b>Total Tax Expense</b>		<b>(0.03)</b>	<b>-</b>
<b>VII</b>	<b>Profit for the year (V - VI)</b>		<b>1.51</b>	<b>(6.25)</b>
<b>VIII</b>	<b>Other comprehensive income</b>			
(i)	Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		-	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>
<b>IX</b>	<b>Total comprehensive income (VII + VIII)</b>		<b>1.51</b>	<b>(6.25)</b>
<b>X</b>	<b>Earnings per equity share (in Rs.)</b>	27		
(1)	Basic		<b>3.03</b>	<b>(15.04)</b>
(2)	Diluted		<b>3.03</b>	<b>(15.04)</b>

**Note:**

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

In terms of our report attached.

**For Sanjay Vichare & Co.**

Chartered Accountants

Firm Registration No.148656W

**For and on behalf of the Board of Directors of  
Rossari Personal Care Products Private Limited**

**Sanjay Vichare**

Proprietor

Membership No:166202

**EDWARD MENEZES**

Director

DIN: 00149205

**SUNIL CHARI**

Director

DIN: 00149083

Place: Mumbai

Date: 11th May 2022

UDIN : 22166202AKCGGR4414

Place: Mumbai

Date: 11th May 2022

**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**  
**Statement of Changes in Equity for the year ended 31st March, 2022**  
*(Currency: Indian Rupees in Millions, unless stated otherwise)*

**(a) Equity Share Capital**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Issued, Subscribed and Paid-up:		
<b>Balance as at the beginning of the year</b>	5.00	0.10
Changes in equity share capital during the year	-	-
Fresh Issue during the year (refer note 12.1)	-	2.00
Issue of Bonus shares (refer note 12.2)	-	2.90
<b>Balance as at the end of the year</b>	<b>5.00</b>	<b>5.00</b>

**(b) Other Equity**

Particulars	Securities Premium	Retained Earnings	Total
<b>Balance at 31st March 2020</b>	<b>1.88</b>	<b>34.23</b>	<b>36.11</b>
Profit for the year		(6.25)	(6.25)
Dividend paid on equity shares	-	(32.65)	(32.65)
Issue of Bonus shares (refer note 12.2)	(1.88)	(1.03)	(2.91)
Deemed Capital Contribution		0.71	0.71
<b>Balance at 31st March 2021</b>	<b>-</b>	<b>(4.99)</b>	<b>(4.99)</b>
Profit for the year		1.51	1.51
<b>Balance at 31st March 2022</b>	<b>-</b>	<b>(3.48)</b>	<b>(3.48)</b>

Note:

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

In terms of our report attached.

**For Sanjay Vichare & Co.**  
Chartered Accountants  
Firm Registration No.148656W

**For and on behalf of the Board of Directors of**  
**Rossari Personal Care Products Private Limited**

**Sanjay Vichare**  
**Proprietor**  
**Membership No:166202**

**EDWARD MENEZES**  
Director  
DIN: 00149205

**SUNIL CHARI**  
Director  
DIN: 00149083

**Place: Mumbai**  
**Date: 11th May 2022**  
**UDIN : 22166202AKCGGR4414**

**Place: Mumbai**  
**Date: 11th May 2022**

**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**  
**Statement of Cash Flow for the year ended 31st March, 2022**  
*(Currency: Indian Rupees in Millions, unless stated otherwise)*

Particulars		For the year ended 31st March 2022	For the year ended 31st March 2021
<b>A.</b>	<b>Cash flows from operating activities</b>		
	Profit before tax for the year	1.48	(6.25)
	<b>Adjustments for:</b>		
	Provision for Expected Credit Loss	0.03	0.09
	Depreciation and amortisation	0.41	0.29
	Deemed Contribution	-	0.12
	Interest Income	-	(0.31)
	Loss on sale of mutual funds	-	0.08
	<b>Operating profit before working capital changes</b>	<b>1.92</b>	<b>(5.98)</b>
	<b>Changes in :</b>		
	(Increase)/decrease in Other Assets & Financial Asset	(2.80)	(0.24)
	(Increase)/decrease in trade and other receivables	33.06	(30.35)
	Increase/(Decrease) in Other Financial Liabilities	(17.99)	18.57
	Increase/(decrease) in trade and other payables	(15.60)	19.02
	<b>Cash generated from operations</b>	<b>(1.41)</b>	<b>1.02</b>
	Income taxes paid (net of refunds)	-	-
	<b>Net cash generated from/(used in) operating activities</b>	<b>(1.41)</b>	<b>1.02</b>
<b>B.</b>	<b>Cash flows from investing activities</b>		
	Net proceeds/(paid) in investments in mutual funds and others	-	31.61
	Interest income	-	0.31
	Proceeds from disposal/(Purchase ) of property, plant and equipment	(0.01)	(0.94)
	<b>Net cash generated from/(used in) investing activities</b>	<b>(0.01)</b>	<b>30.98</b>
<b>C.</b>	<b>Cash flows from financing activities</b>		
	Issue of Share Capital	-	2.00
	Dividend Paid	-	(32.65)
	<b>Net cash used in financing activities</b>	<b>-</b>	<b>(30.65)</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1.42)</b>	<b>1.35</b>
	<b>Opening Cash and cash equivalents</b>	<b>1.56</b>	<b>0.21</b>
	<b>Closing Cash and cash equivalents</b>	<b>0.14</b>	<b>1.56</b>

**Notes:**

1. The above Cash Flow Statement has been prepared under Indirect Method set out in IND AS 7- Statement of Cash flow.
2. Figure in bracket indicates cash outgo.

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

**For Sanjay Vichare & Co.**  
Chartered Accountants  
Firm Registration No.148656W

**For and on behalf of the Board of Directors of  
Rossari Personal Care Products Private Limited**

**Sanjay Vichare**  
**Proprietor**  
**Membership No:166202**

**EDWARD MENEZES**  
Director  
DIN: 00149205

**SUNIL CHARI**  
Director  
DIN: 00149083

**Place: Mumbai**  
**Date: 11th May 2022**  
**UDIN : 22166202AKCGGR4414**

**Place: Mumbai**  
**Date: 11th May 2022**

## **ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

### **Notes accompanying the Financial Statements for the year ended 31st March, 2022.**

*(Currency: Indian Rupees in Millions, unless stated otherwise)*

#### **1. Corporate information**

ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED (“the Company”) was incorporated in the year 1999, having Corporate Identity Number U24297MH2013PTC251413. The Company has its registered office at 201-A T, 2nd Floor, Akroti Corporate Park, L.B.S. Marg, Next to GE Garden, Kanjurmarg (West), Mumbai – 400078. The Company is engaged in the business of specialty chemicals.

#### **2. Significant Accounting Policies**

##### **i. Statement of Compliances and Basis of Preparation**

- (a) These Ind AS Financial Statements comprise Statement of Assets and Liabilities for the year ended 31<sup>st</sup> March, 2022 and for the year ended 31<sup>st</sup> March, 2021, Standalone Statement of Profit and Loss (including Other Comprehensive Income) for the year ended 31<sup>st</sup> March, 2022 and year ended 31<sup>st</sup> March, 2021, Standalone Statement of Cash Flows, the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.
- (b) The aforesaid Financial Statements for the year ended 31<sup>st</sup> March 2022 and for the year ended 31<sup>st</sup> March, 2021, have been prepared by the Company in accordance with the recognition and measurement principles of Indian Accounting Standard (as applicable), notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended).
- (c) The Financial Statements have been prepared on accrual basis and the historical cost basis as a going concern except for certain financial instruments that are measured at fair values or at amortised cost, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this Financial Statements is determined on such basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

## **ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

### **Notes accompanying the Financial Statements for the year ended 31st March, 2022.**

*(Currency: Indian Rupees in Millions, unless stated otherwise)*

Assets and Liabilities are classified as Current or Non-Current as per the provisions of Schedule III to the Companies Act, 2013 and Group's Normal Operating Cycle. Based on the nature of business, the Group has ascertained its operating cycle as 12 months for the classification of assets and liabilities.

The Financial Statements are prepared in Indian Rupee (INR) and denominated in Million.

#### **Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended 31st March, 2022. The Company has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognising provisions/impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

The principal accounting policies are set out below.

#### **ii. Revenue Recognition**

##### **(a) Sale of Goods:**

Revenue from contract with customers is recognized when the Company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

##### **(b) Dividend and Interest Income:**

Dividend income from investments is recognized when the shareholder's right to receive dividend has been established. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### **iii. Property, Plant & Equipment**

Properties, Plant & Equipment are carried at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying property, plant & equipment upto the date the assets are ready for use. When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit (including capital profit) or loss, if any, is reflected in the Statement of Profit & Loss.

Depreciation is calculated on Written Down Value method over the estimated useful life of all assets, these lives are in accordance with Schedule II to the Companies Act, 2013.



## **ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

### **Notes accompanying the Financial Statements for the year ended 31st March, 2022.**

*(Currency: Indian Rupees in Millions, unless stated otherwise)*

The estimated useful lives, residual value and depreciation method are reviewed at end of each reporting period, with the effect of any change in estimate accounted for on prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain/loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in Profit and Loss.

#### **iv. Intangible Assets**

Intangible assets are initially recognised at cost.

##### Software expenditures:

The expenditure incurred is amortized over three financial years equally commencing from the year in which the expenditure is incurred.

#### **v. Impairment**

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

#### **vi. Inventories**

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition. Raw materials and packing materials are value at the lower of cost or net realizable value. Cost is determined based on the First in First Out (FIFO) method. Finished goods produced and purchased for sale and work-in-progress are carried at cost or net realizable value whichever is lower. Stores, spares and consumables other than obsolete and slow-moving items are carried at cost. Obsolete and slow-moving items are valued at cost or estimated net realizable value, whichever is lower.

#### **vii. Employee Benefits**

##### a) Defined Contribution Plan:

Contribution payable to recognised provident fund which are substantially defined contribution plan, is recognised as expense in the Statement of Profit and Loss, as they are incurred.

##### b) Defined Benefit Plan:

For defined plans in the form of gratuity, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur.

## ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED

### Notes accompanying the Financial Statements for the year ended 31st March, 2022.

(Currency: Indian Rupees in Millions, unless stated otherwise)

Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net benefit liability or asset. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expenses or income;
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

#### Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### viii. Foreign Exchange Transactions and Translations

Transactions in foreign currencies i.e. other than the Company's functional currency of Indian Rupees are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on revaluation are recognized in Profit and Loss in the period in which they arise.

### ix. Taxation

Income tax expense represents the sum of the current tax currently payable and deferred tax.

#### (a) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profits nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary, except where the Company is able to control the reversal of the temporary difference

and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and

interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilised the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(c) Current and Deferred Tax for the year

Current and Deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**x. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material provision is carried at the present value of the cash flows required to settle the obligation. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises

from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

**xi. Financial instruments, Financial assets, Financial liabilities and Equity instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through Profit or Loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss are recognized immediately in Profit and Loss.

**Classification and subsequent measurement**

**(a) Financial Assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured at either amortised cost or fair value depending on their respective classification.

On initial recognition, a financial asset is classified as measured at:

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) ; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. All financial asset not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Profit and Loss. Any gain and loss on derecognition are recognised in Profit and Loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected

life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVTOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Profit and Loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments as at FVTOCI as the Company believes that this provides a more meaningful presentation for medium or long-term strategic investments, than reflecting changes in fair value immediately in Profit and Loss. Dividend income received on such equity investments are recognised in Profit and Loss.

Equity investments that are not designated as measured at FVTOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Profit and Loss. Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Profit and Loss.

#### **(i) Financial assets at Fair value through Profit & loss**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other Income' line item. Dividend of financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

#### **(ii) Impairment of Financial Assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impairment financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

## **ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

### **Notes accompanying the Financial Statements for the year ended 31st March, 2022.**

*(Currency: Indian Rupees in Millions, unless stated otherwise)*

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

#### **(iii) De-recognition of financial assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of

the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than its entirety, (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognised on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

#### **(iv) Foreign Exchange Gains & Losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

## ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED

### Notes accompanying the Financial Statements for the year ended 31st March, 2022.

(Currency: Indian Rupees in Millions, unless stated otherwise)

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measure at amortized cost. Thus, the exchange differences on the amortized cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

#### (v) Financial liabilities and equity instruments

##### (a) Classification as debt or equity

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### (b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

##### (c) Compound Financial Instruments

The component parts of compound financial instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instruments' maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound financial instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

**(d) Financial Liabilities**

All financial liabilities are subsequently measure at amortised cost or at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measure at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance cost' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

**(vi) Offsetting**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

**(vii) Financial guarantee contracts and loan commitments**

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts and loan commitments issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; or
- The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

**xii. Use of Estimates and judgement**

The preparation of financial statements in conformity with Ind AS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed at the end of each reporting period. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**(a) Critical accounting judgements and key source of estimation uncertainty:**



The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**(i) Useful lives of property, plant and equipment and intangible assets:**

Property, plant and equipment and intangible assets represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. Useful lives of intangible assets are determined on the basis of estimated benefits to be derived from use of such intangible assets. Their reassessments may result in change in the depreciation /amortization expense in future periods.

**(ii) Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value at each balance sheet date or at the time they are assessed for impairment. In estimating the fair value of an asset or a liability, the Company uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities require estimates to be made by the management and are disclosed in the notes to the financial statements.

**xiii. Earnings per share**

Basic earnings per share are calculated by dividing the Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the 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 effect of all dilutive potential equity shares.

**xiv. Recent Pronouncement**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23<sup>rd</sup> March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1<sup>st</sup> April 2022, as below:

**Ind AS 103 – Reference to Conceptual Framework**

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 16 – Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

**Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract**

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 109 – Annual Improvements to Ind AS (2021)**

The amendment clarifies the treatment of any cost or fees incurred by an entity in the process of derecognition of financial liability in case of repurchase of the debt instrument by the issuer. The Company does not expect the amendment to have any significant impact in its financial statements.

**Ind AS 106 – Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

**Note 3: Property, Plant and Equipment**

	Particulars	Computers	Total
<b>(I)</b>	<b>Gross Carrying Amount</b>		
	<b>Balance as at 1st April 2020</b>	-	-
	Additions during the year	0.93	0.93
	<b>Balance as at 31st March 2021</b>	0.93	0.93
	Additions during the year	-	-
	Disposals during the year	(0.12)	(0.12)
	<b>Balance as at 31st March 2022</b>	<b>0.81</b>	<b>0.81</b>
<b>(II)</b>	<b>Accumulated depreciation</b>		
	<b>Balance as at 1st April 2020</b>	-	-
	Depreciation expense for the year	0.29	0.29
	<b>Balance as at 31st March 2021</b>	0.29	0.29
	Depreciation expense for the year	0.34	0.34
	Disposals during the year	(0.03)	(0.03)
	<b>Balance as at 31st March 2022</b>	<b>0.60</b>	<b>0.60</b>
	<b>Net Carrying amount(I-II)</b>		
	<b>Balance as at 31st March 2020</b>	-	-
	<b>Balance as at 31st March 2021</b>	<b>0.63</b>	<b>0.63</b>
	<b>Balance as at 31st March 2022</b>	<b>0.21</b>	<b>0.21</b>

**Note 4: Intangible Assets**

	Particulars	Computer Software	Total
<b>(I)</b>	<b>Gross Carrying Amount</b>		
	<b>Balance as at 1st April 2020</b>	0.04	0.04
	Additions during the year	-	-
	<b>Balance as at 31st March 2021</b>	0.04	0.04
	Additions during the year	0.13	0.13
	Disposals during the year	-	-
	<b>Balance as at 31st March 2022</b>	<b>0.17</b>	<b>0.17</b>
<b>(II)</b>	<b>Accumulated depreciation</b>		
	<b>Balance as at 1st April 2020</b>	0.04	0.04
	Amortisation during the year	-	-
	<b>Balance as at 31st March 2021</b>	0.04	0.04
	Amortisation during the year	0.10	0.10
	Disposals during the year	-	-
	<b>Balance as at 31st March 2022</b>	<b>0.14</b>	<b>0.14</b>
	<b>Net Carrying amount(I-II)</b>		
	<b>Balance as at 31st March 2020</b>	-	-
	<b>Balance as at 31st March 2021</b>	-	-
	<b>Balance as at 31st March 2022</b>	<b>0.03</b>	<b>0.03</b>

Notes:

The amortization expense of intangible assets has been included under Note 24 'Depreciation and amortization expense' in the Statement of Profit and Loss.

**Note 5: Income Tax Assets (Net) (Non-current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advance Income Tax (Net off Provision for Tax of Rs. Nil (31st March 2021 – Rs. Nil))	1.02	1.01
<b>Total Income Tax Assets (Net) (Non-current)</b>	<b>1.02</b>	<b>1.01</b>

**Note 6: Deferred Tax Assets (Net)(Non-current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Asset – Net (Refer note No.6.1)	0.54	0.51
<b>Total Deferred Tax Asset (Net) (Non-current)</b>	<b>0.54</b>	<b>0.51</b>

Note 6.1 Movement in Deferred Tax Assets:

Particulars	As at 31st March, 2020	(Charge) / Credit to profit or loss	(Charge) / Credit to OCI	As at 31st March, 2021
Tax effect of items constituting deferred tax liabilities:	-	-	-	-
Tax effect of items constituting deferred tax assets:				
Allowances on property, plant & equipment and other assets	0.51	*	-	0.51
<b>Net Tax Asset/(Liability)</b>	<b>0.51</b>	<b>*</b>	<b>-</b>	<b>0.51</b>

\* Represent Amounts below rounding off norms.

Particulars	As at 31st March, 2021	(Charge) / Credit to profit or loss	(Charge) / Credit to OCI	As at 31st March, 2022
Tax effect of items constituting deferred tax liabilities:				
Tax effect of items constituting deferred tax assets:				
Allowances on property, plant & equipment and other assets	0.51	0.03		0.54
<b>Net Tax Asset/(Liability)</b>	<b>0.51</b>	<b>0.03</b>	<b>-</b>	<b>0.54</b>

**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

Notes accompanying the Financial Statements for the year ended 31st March 2022.(Contd.)

(Currency: Indian Rupees in Millions, unless stated otherwise)

**Note 7: Trade Receivables**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Unsecured</b>		
Considered good	0.60	33.66
Less: Allowance for Expected Credit Losses	(0.13)	(0.09)
<b>Total Trade Receivables</b>	<b>0.47</b>	<b>33.57</b>

**7.1-Trade Receivables ageing schedule as on 31st March,2022**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	-	0.50	0.10	-	-	0.60
Less: Loss Allowance	-	-	-	-	-	(0.13)
<b>Total</b>						<b>0.47</b>

**7.2-Trade Receivables ageing schedule as on 31st March,2021**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade receivables - considered good	33.66	-	-	-	-	33.66
Less: Loss Allowance	-	-	-	-	-	(0.09)
<b>Total</b>						<b>33.57</b>

7.3-Refer Note 32 for disclosures related to credit risk and Note 33 for impairment of trade receivables under expected credit loss model and related disclosures.

**Note 8: Cash and Cash equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
a) Balances with banks - in Current Accounts	0.14	1.55
b) Cash on hand	-	0.01
<b>Total Cash and Cash equivalents</b>	<b>0.14</b>	<b>1.56</b>

**Note 9: Bank Balances other than Cash & Cash Equivalents**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Bank Balances other than Cash &amp; Cash Equivalents</b>		
Fixed Deposits with original maturity greater than 3 months and less than 12 months	0.07	0.05
<b>Total Bank Balances other than Cash &amp; Cash Equivalents</b>	<b>0.07</b>	<b>0.05</b>

**Note 10: Other Financial Assets (Current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>At Amortized Cost:</b>		
Security & Business Deposits	0.37	0.37
Interest Accrued on Fixed deposits	-	0.03
<b>Total Other Financial Assets (Current)</b>	<b>0.37</b>	<b>0.40</b>

Notes: Refer Note 32 for disclosures related to credit risk and Note 33 for impairment of trade receivables under expected credit loss model and related disclosures.

**Note 11: Other Current Assets**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Government Authorities	2.85	-
Advance paid to suppliers	0.05	0.11
<b>Total Other Current Assets</b>	<b>2.90</b>	<b>0.11</b>

**Note 12: Equity Share Capital**

Particulars (INR in million)	As at 31st March, 2022		As at 31st March, 2021	
	No. of shares	Amount	No. of shares	Amount
<b>A. Authorized:</b>				
a) Equity shares of Rs.10 each with voting rights	500,000	5.00	500,000	5.00
<b>Total</b>	<b>500,000</b>	<b>5.00</b>	<b>500,000</b>	<b>5.00</b>
<b>B. Issued, Subscribed and Fully Paid:</b>	500,000	5.00	500,000	5.00
a) Equity shares of Rs.10 each with voting rights				
<b>Total Equity Share Capital</b>	<b>500,000</b>	<b>5.00</b>	<b>500,000</b>	<b>5.00</b>

**i) Reconciliation of the number of shares outstanding at the beginning and at the end of the year**

Particulars	No of Shares	As at 31st March, 2022	No of Shares	As at 31st March, 2021
<b>Equity Shares with Voting rights</b>				
Issued, Subscribed and Paid-up:				
Balance as at the beginning of the year	5,00,000	5.00	1,000	0.10
Addition due to Sub-division of shares	-	-	9,000	-
Issue of Bonus shares	-	-	2,90,000	2.90
Fresh issue of equity shares	-	-	2,00,000	2.00
<b>Total</b>	<b>5,00,000</b>	<b>5.00</b>	<b>5,00,000</b>	<b>5.00</b>

Notes:

Terms of Rights, preferences & restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the board of directors and approved by the shareholders in the annual general meeting is paid in Indian rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares held	% holding in that class of shares	No. of Shares held	% holding in that class of shares
Rossari Biotech Ltd	5,00,000	100.00	3,00,000	60.00%
Fairplum Private Ltd	-	-	1,50,000	30.00%
V Star Family Trust	-	-	50,000	10.00%

**Shareholding of Promoters**

**Shares held by promoters at the end of 31st March, 2022**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Rossari Biotech Ltd	5,00,000	100.00	40.00
<b>TOTAL</b>	<b>5,00,000</b>	<b>100.00</b>	<b>40.00</b>

**Shares held by promoters at the end of 31st March, 2021**

Promoter Name	No. of Shares	% of total shares	% Change during the year
Rossari Biotech Ltd.	3,00,000	60.00	(40.00)
Fairplum Private Ltd.	1,50,000	30.00	30.00
V Star Family Trust	50,000	10.00	10.00
<b>TOTAL</b>	<b>5,00,000</b>	<b>100.00</b>	<b>-</b>

12.1 The Board of Directors of the Company at its meeting held on 17th July, 2021 has informed that the Holding Company has approved to enter into a share purchase agreement with Fairplum Private Limited and VSTAR Family Trust for the purchase of remaining 40% of the equity share capital of the Company. Consequently, the aforesaid acquisition got completed on 23rd July, 2021 and company becomes Wholly Owned Subsidiary Company of Rossari Biotech Limited.

12.2 During the previous year, the Company had split its equity shares of the face value of Rs.100 each to face value of Rs.10 each resulting in the increase of equity shares to 10,000 from 1,000 equity shares. Further the company had issued bonus shares in the ratio 1:29 thereby increasing the number of equity shares to 300,000.

**Note 13: Other Equity**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Securities Premium	-	-
Retained Earnings	(3.48)	(4.99)
<b>Total Other Equity</b>	<b>(3.48)</b>	<b>(4.99)</b>

**Movement in Reserves**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>(A) Securities Premium</b>		
Balance as at the beginning of the year	-	1.88
Less: Deletion during the year	-	1.88
<b>Balance as at the end of the year</b>	<b>-</b>	<b>-</b>
<b>(B) Retained Earnings</b>		
Balance as at the beginning of the year	(4.99)	34.23
Add: Profit during the year	1.51	(6.25)
Less: Dividend paid	-	(32.65)
Less:- Utilised for Bonus Shares	-	(1.03)
Add : Deemed Capital Contribution	-	0.71
<b>Balance as at the end of the year</b>	<b>(3.48)</b>	<b>(4.99)</b>
<b>TOTAL (A+B)</b>	<b>(3.48)</b>	<b>(4.99)</b>

**Description of Nature and purpose of other equity:****Retained earnings:**

Retained earnings represent the amount of accumulated earnings.

**Securities Premium:**

Securities premium account is created when shares are issued at premium. The reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

**Note 14: Provisions (Non-Current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Provision for employee benefits</b>		
Provision for Gratuity	-	0.21
Compensated absences	-	0.07
<b>Total Provisions (Non-Current)</b>	-	<b>0.28</b>

**Notes:**

For disclosures related to employee benefits, refer note 29.

**Note 15: Trade Payables**

Particulars	As at 31st March, 2022	As at 31st March, 2021
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues other than micro enterprises and small enterprises	3.07	18.67
<b>Total Trade Payables</b>	<b>3.07</b>	<b>18.67</b>

**Notes:**

The information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Trade Payables ageing schedule as on 31st March, 2022**

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	3.07	-	-	-	3.07

**Trade Payables ageing schedule as on 31st March, 2021**

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	18.67	-	-	-	18.67

**Note 16: Other Financial Liabilities (Current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Measured at Amortized Cost:</b>		
Creditors for capital goods & services	1.14	18.36
<b>Total Other Financial Liabilities (Current)</b>	<b>1.14</b>	<b>18.36</b>



**Note 17: Provisions (Current)**

Particulars	As at 31st March, 2022	As at 31st March, 2021
<b>Provision for employee benefits</b>		
Compensated absences	-	0.01
<b>Total Provisions (Current)</b>	-	<b>0.01</b>

**Notes:**

For disclosures related to employee benefits, refer note 29.

**Note 18: Other Current Liabilities**

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Statutory dues		
i) Taxes Payable	0.01	0.41
ii) Employee Liabilities	0.01	0.10
<b>Total Other Current Liabilities</b>	<b>0.02</b>	<b>0.51</b>

**Note 19: Revenue from operations**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Revenue from operations</b>		
Sale of products	59.13	40.49
<b>Total Revenue from operation</b>	<b>59.13</b>	<b>40.49</b>

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contract Price	59.13	40.49
Less : Discount	-	-
	<b>59.13</b>	<b>40.49</b>

**Note 20: Other Income**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest Income (on financial assets measured at Amortised cost):		
- On bank deposits	-	0.31
Others *	0.60	12.37
<b>Total Other Income</b>	<b>0.60</b>	<b>12.68</b>

\* Others includes income on account of writeback of liabilities Rs. 0.49 millions (31st March, 2021: Rs. 0.76 millions) and miscellaneous receipts Rs.0.11million (31st March, 2021: Rs.11.61 millions)

**Note 21: Purchase of Stock-in-Trade(net)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Purchase of Stock - in - trade (net)	44.63	37.28
<b>Total Purchase of Stock-in-Trade (net)</b>	<b>44.63</b>	<b>37.28</b>

**Note 22: Employee Benefit Expense**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Salaries and wages, including bonus	7.55	15.06
b) Contribution to provident and other funds	-	0.07
<b>Total Employee Benefit Expense</b>	<b>7.55</b>	<b>15.13</b>

**Note 23: Finance Cost**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Bank Charges *	-	-
<b>Total Finance Cost</b>	<b>-</b>	<b>-</b>

\* Amount is below rounding off norms.

**Note 24: Depreciation and Amortisation Expense**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation and Amortisation Expense	0.41	0.29
<b>Total Depreciation and Amortisation Expense</b>	<b>0.41</b>	<b>0.29</b>

**Note 25: Other Expenses**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Consumption of stores, spares and consumables	0.01	0.04
Freight & Forwarding Charges	2.05	2.13
Legal & Professional Fees	2.60	2.96
Travelling & Conveyance	0.06	0.23
Rent	0.46	-
Loss on Sale of Mutual Funds	-	0.08
Provision for Expected credit loss	0.04	0.09
Office Expenses	0.16	0.13
<u>Payments to the Auditors as</u>		
Statutory Audit Fees	0.13	0.20
Miscellaneous expenses	0.15	0.86
<b>Total Other Expenses</b>	<b>5.66</b>	<b>6.72</b>

**Note 26: Income Tax recognized in profit or loss****(a) Income Tax recognized in Profit & Loss**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
<b>Current Tax:</b>		
In respect of current year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>B. Deferred Tax:</b>		
In respect of current year origination and reversal of temporary difference	(0.03)	-
<b>Total</b>	<b>(0.03)</b>	<b>-</b>
<b>Total</b>	<b>(0.03)</b>	<b>-</b>

(b) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in statement of profit or loss is as follows:

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit before tax	1.51	(6.25)
Applicable Income tax rate	25.17%	25.17%
Expected income tax expense	0.38	(1.57)
Effect of expenses/provisions not deductible/ B/fd losses	(0.38)	1.57
Reported income tax expense	-	-

**Note 27: Earning Per Share (EPS)**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Profit/(loss) for the year	1.52	(6.25)
Weighted average no. of ordinary equity shares used in computing basic & diluted EPS	5,00,000	4,15,617
Basic & Diluted EPS (face value of '10 per share)	3.03	(15.04)

**27.1.Reconciliation of weighted average number of equity shares**

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Weighted average number of equity shares used in the calculation of Basic & Diluted EPS		
On opening balance of shares	5,00,000	422
Add: Effect of shares split up	-	3,797
Add: Effect of Bonus Shares	-	1,22,356
Add: Fresh shares issued	-	2,89,042
Total	5,00,000	4,15,617

**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

**Notes accompanying the Financial Statements for the year ended 31st March 2022.(Contd.)**

(Currency: Indian Rupees in Millions, unless stated otherwise)

**Note 28: Related Party Disclosures:**

(i) List of Related Parties:

a) Holding Company

Rossari Biotech Limited
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b) Key Managerial Persons (KMP)

Mr. Sunil Chari –Director
Mr. Edward Menezes –Director
Mr. Yash Chari –Director
Mr. Edward Menezes –Director
Mr. Rupesh Agarwal - Director (till 23rd July 2021)

c) Relatives of KMP

Mrs. Jyotishna Chari
Mrs. Anita Menezes

d) Enterprises on which key managerial persons or their relatives are able to exercise significant influence

Rossari Biotech India Pvt. Ltd.
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e) Transaction with related parties in ordinary course of business is given below:

Nature of Transaction	As at 31st March, 2022			As at 31st March, 2021		
	KMP	Holding Company	Relatives of KMP	KMP	Holding Company	Relatives of KMP
<b>Remuneration:</b>						
Mr. Rupesh Agarwal	-	-	-	6.92	-	-
<b>Dividend Paid</b>						
Rossari Biotech Limited	-	-	-	-	32.65	-
Sunil Chari	-	-	-	*	-	-
Edward Menezes	-	-	-	*	-	-
Jyotishna Chari	-	-	-	-	-	*
Yash Sunil Chari	-	-	-	*	-	-
Anita Menezes	-	-	-	-	-	*
Mikhail Menezes	-	-	-	*	-	-
<b>Claim receivable</b>						
Rossari Biotech Limited	-	19.65	-	-	-	-
<b>Commission Received</b>						
Rossari Biotech Limited	-	0.12	-	-	11.61	-
<b>Purchases</b>						
Rossari Biotech Limited	-	44.62	-	-	38.10	-
<b>Deemed Contribution given</b>						
Rossari Biotech Limited	-	-	-	-	0.12	-
<b>Assignment of Debtors from</b>						
Rossari Biotech Limited	-	-	-	-	17.95	-
<b>Outstanding's:</b>						
<b>Payables</b>						
Rossari Biotech Limited	-	3.07	-	-	18.62	-
<b>Other Liabilities</b>						
Rossari Biotech Limited	-	-	-	-	17.95	-

\* Amounts below rounding off norms

28.1. All Related Party Transactions entered during the year where in ordinary course of business and are on arm's length basis.

28.2. No Separate actuarial valuation is obtained for amount paid to Key Managerial personnel

**Note 29. Employee benefits**

**Defined contribution plan**

The Company makes contributions towards Provident Fund for qualifying employees

**Defined benefit plan**

**(i) Gratuity plan**

The Gratuity Benefits are classified as Post-Retirement Benefits as per Ind AS 19 and the accounting policy is outlined as follows.

As per IndAS 19, the service cost and the net interest cost would be charged to the Profit & Loss account. Actuarial gains and losses arise due to difference in the actual experience and the assumed parameters and also due to changes in the assumptions used for valuation. The Company recognizes these remeasurements in the Other Comprehensive Income (OCI).

When the benefits of the plan are changed, or when a plan is curtailed or settlement occurs, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment or settlement, is recognized immediately in the profit or loss account when the plan amendment or when a curtailment or settlement occurs.

Through its gratuity plans the Company is exposed to a number of risks, the most significant of which are detailed below:

**(a) Actuarial Risk**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**(b) Investment Risk**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**(c) Liquidity Risk**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits.

If some of such employees resign/retire from the company, there can be strain on the cash flows.

**(d) Market Risk**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the evaluation of liability is exposed to fluctuations in the yields as at the valuation date.

**(e) Legislative Risk**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the payment of gratuity act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the defined benefit obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

<b>Funded Status of the Plan as at</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Present value of unfunded obligations	-	0.21
Present value of funded obligations	-	-
Fair value of plan assets	0.00%	-
<b>Net Liability</b>	-	0.21

<b>Profit &amp; Loss Account for the year</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Service Cost:</b>		
Current service cost	-	0.21
Past service cost and loss	-	-
Net interest cost	-	-
Total included in 'Employee Benefit Expense'	-	0.21
Prior year charge	-	-
<b>Total charge to P&amp;L</b>	-	-

Reconciliation of Defined Benefit Obligation as at	As at 31st March, 2022	As at 31st March, 2021
<b>Particulars</b>		
Opening Defined Benefit obligation	-	-
Current service cost	-	0.21
Closing Defined Benefit Obligation	-	<b>0.21</b>

Reconciliation of Net Defined Benefit Liability as at	As at 31st March, 2022	As at 31st March, 2021
Net opening provision in books of accounts		
Transfer in/(out) obligation		
Transfer in/(out) plan assets		
Employee Benefit Expense	-	0.21
Amounts recognized in other comprehensive (Income)/expense		
	-	<b>0.21</b>
Contribution by employer	-	-
Benefits paid by the Company	-	-
Contribution to plan assets		
<b>Closing provision in books of accounts</b>	<b>-</b>	<b>0.21</b>

Principle Actuarial Assumptions	As at 31st March, 2022	As at 31st March, 2021
Discount rate	-	6.25% p.a.
Salary growth rate	-	10.00% p.a.
Withdrawal rates	-	25.00% p.a. at younger age reducing to 5% p.a. at older age
Rate of Return on plan assets	-	-

The future accrual is not considered in arriving at the above cashflows.

Sensitivity to key assumptions		As at 31st March, 2022	As at 31st March, 2021
1	<b>Discount rate sensitivity</b>		
	Increase by 0.5%	-	0.20
	(% Change)	-	(4.41%)
	Decrease by 0.5%	-	0.21
	(% change)	-	4.68%
2	<b>Salary growth sensitivity</b>		
	Increase by 0.5%	-	0.21
	(% Change)	-	1.83%
	Decrease by 0.5%	-	0.19
	(% change)	-	(8.35%)
3	<b>Withdrawal rate (W.R) sensitivity</b>		
	W.R * 110%	-	0.19
	(% Change)	-	(5.96%)
	W.R * 90%	-	0.22
	(% Change)	-	6.28%

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters. Hence, the results may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

### Note 30. Capital management

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimize returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, customer, creditors and market confidence.

The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders.

The Company may take appropriate steps in order to maintain, or if necessary, adjust, its capital structure. The Company does not have any borrowings as at March 31, 2022 and March 31, 2021.

### Note 31. Financial Risk management framework

The company has formulated and implemented a policy on risk management, as approved by the Board, so as to develop an approach to identify, assess and manage the various risks associated with our business activities in a systematic manner. The policy lays down guiding principles on proactive planning for identifying, analyzing and mitigating material risks, both external and internal, and covering operational, financial and strategic risks. After risks have been identified, risk mitigation solutions are determined to bring risk exposure levels in line with risk appetite. The Company's risk management policies and systems are reviewed regularly to reflect changes in market conditions and our business activities. The Company's business activities are exposed to a variety of financial risks, namely Credit risk, Liquidity risk, Currency risk, Interest risks and Commodity price risk.

### Market Risk

The Company's size and operations result in it being exposed to the market risks that arise from its use of financial instruments namely Currency risk, Interest risks and Commodity price risk. These risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below

### Commodity Risk

The company is exposed to the price risk associated with purchasing of the raw materials. The company typically do not enter into formal long-term arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect the Company's business and results of operations. Management reviews the commodity price risk regularly to avoid material impact on profitability of the company. There are no direct commodity derivatives available to hedge the price risk associated with the major raw material.

**Note 31. Financial Risk management framework****Liquidity risk****Liquidity risk management**

Liquidity risk is the risk that we will encounter difficulties in meeting the obligations associated with our financial liabilities that are settled by delivering cash or another financial asset. Our approach to managing liquidity is to ensure that we have sufficient liquidity or access to funds to meet our liabilities when they are due.

**Maturity profile of financial liabilities:**

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount in Balance sheet	Less than 1 Year	2nd and 3rd Year	4th and 5th Year	Above 5 years
<b>As at 31st March 2022</b>					
Trade payables	3.07	3.07	-	-	-
Other Financial Liabilities	1.14	1.14	-	-	-
<b>Total</b>	<b>4.21</b>	<b>4.21</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 32. Credit Risk management**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. The Company's customer base majorly has creditworthy counterparties which limits the credit risk. The Company's exposures are continuously monitored and wherever necessary we take advances/LC's to minimize the risk.

**Note 33. Trade receivable and advances**

The Company applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables/Advances. The company has computed expected credit losses based on actual basis. Forward-looking information (including macro economic information) has been incorporated into the determination of expected credit losses.

Reconciliation of allowance for expected credit loss in respect of trade receivables:

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at beginning of the year	0.09	-
Additions during the year	0.04	0.09
<b>Balance as at end of the year</b>	<b>0.13</b>	<b>0.09</b>

In respect of other financial assets, the maximum exposure to credit risk at the end of the reporting period approximates the carrying amount of each class of financial assets.

**Note 34. Offsetting Of balances:**

The Company has not offset financial assets and financial liabilities.

**Note 35: Additional regulatory information required by Schedule III**

**(i) Details of benami property held**

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**(ii) Wilful defaulter**

The company has not been declared wilful defaulter by any bank or financial institution or any lender.

**(iii) Relationship with struck off companies**

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(iv) Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under the Companies Act, 2013.

**(v) Compliance with approved scheme(s) of arrangements**

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**(vi) Utilisation of borrowed funds and share premium**

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

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

**(vii) Undisclosed Income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(viii) Details of crypto currency or virtual currency**

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(ix) Valuation of PP&E, intangible asset and investment property**

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**(x) Registration of charges or satisfaction with Registrar of Companies**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.



**ROSSARI PERSONAL CARE PRODUCTS PRIVATE LIMITED**

**Notes accompanying the Financial Statements for the year ended 31st March 2022.(Contd.)**

(Currency: Indian Rupees in Millions, unless stated otherwise)

**Note 36: Key Ratio**

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	0.93	0.95	-1.75	Not Applicable
Debt- Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	Refer note (a) below
Debt Service Coverage Ratio	PAT + Depreciation & Amortization + Interest	Debt Service	-	-	-	Refer note (a) below
Return on Equity Ratio	Net Profit after Tax	Average Shareholder's Equity	0.99	(428.56)	-100.23	Due to increase in PAT
Inventory turnover Ratio	COGS	Average Inventory	-	-	-	Refer note (b) below
Trade Receivables turnover Ratio	Net Credit Sales	Average Trade Receivables	3.47	2.20	58.18	Due to credit sales
Trade Payable turnover Ratio	Net Credit Purchases	Average Trade Payables	4.11	3.96	3.75	Not Applicable
Net Capital turnover Ratio	Net Sales	Working Capital	(22.74)	2.72	-936.90	Due to increase in payables
Net Profit Ratio	Net Profit	Net Sales	0.03	(0.15)	-116.22	Due to increase in Net profit
Return on Capital Employed	EBIT	Tangible Net Worth + Total Debt + Deferred Tax Liability	0.99	(426.53)	-100.23	Due to increase in Net profit
Return on Investment	Income Earned from Investments made	Investments made	-	-	-	Refer note (c) below

**Notes:**

(a) There is no outstanding obligation on account of debt as on 31st March 2022 and 31st March 2021.

(b) There is no outstanding Inventory as on 31st March 2022 and 31st March 2021.

(c) There is no investment as on 31st March 2022 and 31st March 2021.

**Note 37:** Figures for previous periods have been regrouped wherever considered necessary.

**Note:**

The accompanying notes 1 to 37 are an integral part of the Financial Statements.

In terms of our report attached.

**For Sanjay Vichare & Co.**  
Chartered Accountants  
Firm Registration No.148656W

**For and on behalf of the Board of Directors of  
Rossari Personal Care Products Private Limited**

**Sanjay Vichare**  
Proprietor  
Membership No:166202

**EDWARD MENEZES**      **SUNIL CHARI**  
Director                      Director  
DIN: 00149205              DIN: 00149083

**Place: Mumbai**  
**Date: 11th May 2022**  
**UDIN : 22166202AKCGGR4414**

**Place: Mumbai**  
**Date: 11th May 2022**