

# **KIKO Cosmetics Retail Private Limited**

**Financial Statements  
2023-24**

**KIKO Cosmetics Retail Private Limited****Balance sheet as at 31 March, 2024**

(All amount in Rs. thousand, unless otherwise stated)

|  | Notes | As at<br>March 31, 2024 | As at<br>March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| <b>ASSETS</b>  |       |                         |                         |
| <b>Non-current assets</b>  |       |                         |                         |
| Property, plant and equipment  | 3     | 10,734                  | 21,120                  |
| Intangible assets  | 4     | -                       | 323                     |
| Other non-current assets   | 5     | 19,388                  | 23,182                  |
|  |       | <b>30,122</b>           | <b>44,625</b>           |
| <b>Current assets</b>  |       |                         |                         |
| Inventories  | 6     | 10,693                  | 27,140                  |
| Cash and cash equivalents  | 7     | 32,779                  | 5,250                   |
| Short-term loans and advances  | 8     | 3,185                   | 7,677                   |
| Other current assets   | 9     | 78                      | 60                      |
|  |       | <b>46,735</b>           | <b>40,127</b>           |
| <b>Total Assets</b>  |       | <b>76,857</b>           | <b>84,752</b>           |
| <b>EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>Equity</b>  |       |                         |                         |
| Equity Share capital   | 10    | 2,24,291                | 2,24,291                |
| Other Equity   | 11    | (3,47,443)              | (2,90,829)              |
|  |       | <b>(1,23,152)</b>       | <b>(66,538)</b>         |
| <b>Non-current liabilities</b>   |       |                         |                         |
| Long-term liabilities  | 12    | 1,75,000                | 3,503                   |
| Long-term provisions   | 13    | 2,593                   | 4,567                   |
|  |       | <b>1,77,593</b>         | <b>8,070</b>            |
| <b>Current liabilities</b>   |       |                         |                         |
| Trade payables   | 14    |                         | 612                     |
| - total outstanding dues of micro and small enterprises; and                 |       | -                       |                         |
| - total outstanding dues of creditors other than micro and small enterprises |       | 13,048                  | 1,35,757                |
| Other current liabilities  | 15    | 9,137                   | 6,531                   |
| Short-term provisions  | 13    | 231                     | 320                     |
|  |       | <b>22,416</b>           | <b>1,43,220</b>         |
| <b>Total liabilities</b>   |       | <b>2,00,009</b>         | <b>1,51,290</b>         |
| <b>Total Equity and Liabilities</b>  |       | <b>76,857</b>           | <b>84,752</b>           |

Summary of material accounting policies

2

The accompanying summary of significant accounting policies and notes to accounts are an integral part of the financial statements.

For and on behalf of the Board of Directors of

**KIKO Cosmetics Retail Private Limited****Venkatesh Raghavendra Gulur**

Director

DIN: 02813390

**Gaurav Jain**

Director

DIN:02697278

**Sridhar Kothandaraman**

Director

DIN: 00012765

**Inderpreet Kaur**

Company Secretary

**Date : 18th April, 2024**

**KIKO Cosmetics Retail Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

|   | Notes | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|-------|------------------------------|------------------------------|
| <b>Revenue</b>  |       |                              |                              |
| Revenue from operations   | 16    | 99,928                       | 1,87,355                     |
| Other income  | 17    | 4,235                        | 93                           |
| <b>Total Income</b>   |       | <b>1,04,163</b>              | <b>1,87,448</b>              |
| <b>Expenses</b>   |       |                              |                              |
| Purchases of stock-in-trade   | 18    | 26,863                       | 47,763                       |
| Changes in inventories of stock-in-trade                              | 19    | 16,447                       | 34,231                       |
| Employee benefit expenses   | 20    | 35,784                       | 41,781                       |
| Finance costs   | 21    | 163                          | 33                           |
| Depreciation and amortization expense                                 | 22    | 8,545                        | 11,592                       |
| Other expenses  | 23    | 72,975                       | 98,097                       |
| <b>Total Expenses</b>   |       | <b>1,60,777</b>              | <b>2,33,497</b>              |
| <b>Profit/(Loss) before tax</b>                                       |       | <b>(56,614)</b>              | <b>(46,049)</b>              |
| <b>Tax expense</b>  |       |                              |                              |
| Current tax   |       | -                            | -                            |
| Deferred tax  |       | -                            | -                            |
| <b>Profit/(Loss) for the year</b>                                     |       | <b>(56,614)</b>              | <b>(46,049)</b>              |
| <b>Earnings/(Loss) per equity share</b>                               |       |                              |                              |
| - Basic and diluted   | 25    | (2.52)                       | (2.05)                       |
| [Nominal value of Rs. 10 per share (March 31, 2023: Rs 10 per share)] |       |                              |                              |

Summary of material accounting policies

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The accompanying summary of significant accounting policies and notes to accounts are an integral part of the financial statements.

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 Company Secretary

**Date : 18th April, 2024**

**KIKO Cosmetics Retail Private Limited**  
**STATEMENT OF CHANGES IN EQUITY For Year ended 31 March, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

**A Equity Share Capital**

|  | Balance on<br>1, April, 2022 | Change during the<br>Year 2022-23 | Balance as on 31<br>March 2023 | Balance on<br>1, April, 2023 | Change during the<br>year 2023-24 | Balance as on 31<br>March 2024 |
|--|------------------------------|-----------------------------------|--------------------------------|------------------------------|-----------------------------------|--------------------------------|
|  | 2,24,291                     | -                                 | 2,24,291                       | 2,24,291                     | -                                 | 2,24,291                       |

**B Other Equity**

|   | Particulars       | Total Comprehensive<br>Income for the year | Transfer to/from<br>Retaind earning |   |   | Total             |
|---|-------------------|--|-------------------------------------|---|---|-------------------|
| <b>Balance as on 31 March 2023</b>            |                   |  |                                     |   |   | -                 |
| <b>Reserve and Surplus</b>                    | (2,90,829)        | -  | -                                   | - | - | (2,90,829)        |
| <b>Add: Comprehensive Income for the year</b> | -                 | -  | -                                   | - | - | -                 |
| Retained Earning                              | -                 | -  | (56,614)                            | - | - | (56,614)          |
| <b>Balance as At 31st March 2024</b>          | <b>(2,90,829)</b> |  | <b>(56,614)</b>                     | - | - | <b>(3,47,443)</b> |
| <b>Balance as on 31 March 2022</b>            | -                 | -  | -                                   | - | - | -                 |
| <b>Reserve and Surplus</b>                    | (2,44,780)        | -  | -                                   | - | - | (2,44,780)        |
| <b>Add: Comprehensive Income for the year</b> | -                 | -  | -                                   | - | - | -                 |
| Retained Earning                              | -                 | -  | (46,049)                            | - | - | (46,049)          |
| <b>Balance as At 31st March 2023</b>          | <b>(2,44,780)</b> |  | <b>(46,049)</b>                     | - | - | <b>(2,90,829)</b> |

For and on behalf of the Board of Directors of  
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**Inderpreet Kaur**  
 Company Secretary

**Date : 18th April, 2024**

**KIKO Cosmetics Retail Private Limited**  
**Cash Flow Statement for the year ended March 31, 2024**  
(All amount in Rs. thousand, unless otherwise stated)

|   | Year ended<br>March 31, 2024 | Year ended<br>March 31, 2023 |
|---|------------------------------|------------------------------|
| <b>A. Cash flows from operating activities</b>                            |                              |                              |
| <b>Profit/(Loss) before tax</b>   | <b>(56,614)</b>              | <b>(46,049)</b>              |
| <b>Adjustments for:</b>   |                              |                              |
| Depreciation and amortization expense                                     | 8,545                        | 11,592                       |
| Interest income   | (40)                         | (91)                         |
| Finance costs   | 163                          | 33                           |
| Loss on disposal of property plant and equipment                          | 2,164                        | 729                          |
| <b>Sub-total</b>  | <b>10,832</b>                | <b>12,263</b>                |
| <b>Operating profit/(loss) before working capital changes</b>             | <b>(45,782)</b>              | <b>(33,786)</b>              |
| <b>Adjustments for changes in working capital</b>                         |                              |                              |
| Increase in other long term liability                                     | 1,71,497                     | (6,167)                      |
| Increase/ (decrease) in trade payables and other current liabilities      | (1,20,715)                   | (30,125)                     |
| Increase/ (decrease) in provisions  | (2,063)                      | 499                          |
| Increase/(decrease) in trade receivables                                  | -                            | 16,733                       |
| (Increase)/decrease in inventories  | 16,447                       | 40,945                       |
| (Increase)/decrease in loans and advances                                 | 8,298                        | 11,613                       |
| <b>Sub-total</b>  | <b>73,464</b>                | <b>33,498</b>                |
| <b>Cash generated from operations</b>                                     | <b>27,682</b>                | <b>(288)</b>                 |
| Income taxes paid (net of refund)   | (30)                         | 38                           |
| <b>Net cash from operating activities</b>                                 | <b>27,652</b>                | <b>(250)</b>                 |
| <b>B. Cash flows from investing activities</b>                            |                              |                              |
| Purchase of property, plant and equipment, including movement in CWIP     | -                            | (815)                        |
| Interest received   | 40                           | 91                           |
| <b>Net cash used in investing activities</b>                              | <b>40</b>                    | <b>(724)</b>                 |
| <b>C. Cash flows from financing activities</b>                            |                              |                              |
| Proceeds from Loan from Shareholder                                       | -                            | -                            |
| Payment of Interest   | (163)                        | (27)                         |
| <b>Net cash flow from financing activities</b>                            | <b>(163)</b>                 | <b>(27)</b>                  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>               | <b>27,529</b>                | <b>(1,001)</b>               |
| Cash and cash equivalents as at the beginning of the year                 | 5,250                        | 6,251                        |
| <b>Cash and cash equivalents as at the end of the year (refer note 7)</b> | <b>32,779</b>                | <b>5,250</b>                 |
| <b>Components of cash and cash equivalents</b>                            |                              |                              |
| In current accounts   | 31,493                       | 233                          |
| Demand deposits (with original maturity of 3 months or less)              | -                            | 3,528                        |
| Cash on hand  | 1,286                        | 1,489                        |
| <b>Total cash and cash equivalents</b>                                    | <b>32,779</b>                | <b>5,250</b>                 |

For and on behalf of the Board of Directors of  
KIKO Cosmetics Retail Private Limited

**Venkatesh Raghavendra Gulur**  
Director  
DIN: 02813390

**Gaurav Jain**  
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DIN:02697278

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Director  
DIN: 00012765

**Inderpreet Kaur**  
Company Secretary

**Date : 18th April, 2024**

**KIKO Cosmetics Retail Private Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

**1. Corporate Information**

KIKO Cosmetics Retail Private Limited ("the Company") was originally incorporated as DBL Cosmetics Private Limited on February 19, 2015. Company got the FDI approval from "Department of Industrial Policy and Promotion", Ministry of Commerce, Govt. of India on April 28, 2016 allowing upto 51% foreign equity participation in the Company for single brand product retail trading of 'KIKO' products in India. The Company was a wholly owned subsidiary of DLF Brands Private Limited, India, till September 8, 2016 and with effect from September 9, 2016, the Company became a joint venture between KIKO S.P.A, Italy (Previously Known as KIKO International S.r.L, Italy) and DLF Brands Private Limited, India holding equity in the ratio of 51:49 respectively. and On Dt 8th Feb24 Reliance Beauty and Personal Care Limited purchased all shares of both party KIKO SPA & Pure Home Living Private Limited.

The Company is mainly engaged in the business of retail trading of cosmetics, accessories & other allied products in the name and style of "KIKO", within India.

**1.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 as amended by the Companies (Accounting Standard) amendment Rules 2016, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and the pronouncement of the Institute of Chartered Accountants of India to the extent applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements have been consistently applied.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non current classification of assets and liabilities.

**1.2 Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based upon management's best knowledge of current events and actions the Company may undertake in future, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the periods in which the results are known / materialise.

**2. Summary of material accounting policies**

**a) Inventories**

Inventories are stated at lower of cost and net realisable value. Cost is determined using the Weighted average cost method. The cost of traded goods comprises purchase costs and other direct costs attributable to bringing goods to the location. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**b) Property, plant and equipment and depreciation**

Tangible property plant and equipment are stated at acquisition cost, net of accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. The carrying amounts of assets are reviewed at each reporting date for impairment.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible property plant and equipment has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for leasehold improvements and furniture and fittings which are depreciated over the initial period of lease or useful life, whichever is less.

Gains or losses arising from derecognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**KIKO Cosmetics Retail Private Limited**  
**Notes to the financial statements for the year ended March 31, 2024**

**2. Summary of material accounting policies (continued)**

**c) Intangible assets and amortization**

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a straight line basis over their estimated useful lives. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Intangible assets are amortised over their estimated useful life on straight line method as follows:

|                   |         |
|-------------------|---------|
| Computer software | 3 years |
|-------------------|---------|

**d) Impairment of assets**

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss.

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 to their present value based on an appropriate discount factor.

**e) Revenue recognition**

**i. Revenue from sale of goods**

Income from sale of products is recognized when significant risks and rewards in respect of ownership are transferred to the customers and no significant uncertainty exists as to realisation or collection. Sales are stated net of trade discounts, goods and services tax and estimated sales return, wherever applicable.

Gift vouchers sales are recognised when the vouchers are redeemed and goods are sold to the customer.

**ii. Interest income**

Income from fixed deposits is recognised on time proportion method and applicable interest rates.

**f) Foreign currency transactions**

**i. Initial recognition:**

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of

**ii. Measurement at the balance sheet date:**

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

**iii. Treatment of exchange differences:**

Exchange differences arising on the settlement or on reporting of Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

## KIKO Cosmetics Retail Private Limited

### Notes to the financial statements for the year ended March 31, 2024

#### 2. Summary of material accounting policies (continued)

##### g) Employee benefits

i. All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Employee benefits such as salaries, bonus etc. are recognised in Statement of Profit and Loss in the year in which the employee renders the related service.

##### ii. Defined contribution plan

**Provident Fund:** In accordance with the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952, eligible employees of the Company are entitled to receive benefits with respect to provident fund Contribution, a defined contribution plan in which both, the Company and the employee, contribute minimum amount as required by Employees Provident Fund and Miscellaneous Provisions Act, 1952.

The contribution for Provident Fund is deposited with the appropriate government authorities and Company's contribution to provident fund is charged to Statement of Profit and Loss in the financial year to which they relate and there are no further obligations in this regard.

##### iii. Defined benefit plan

**Gratuity:** Benefits payable to eligible employees of the Company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is actuarially determined by using the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the Balance Sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets.

##### iv. Other long term employee benefits

**Leave encashment:** Accumulated leave which is expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end. Actuarial gains and losses are recognised in the year in which they arise in the Statement of Profit and Loss.

##### h) Leases

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as operating leases and lease rentals thereon are charged to the Statement of Profit and Loss on a straight-line basis over the lease term. The Company has no finance leases arrangements.

##### i) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company.

##### j) Tax expense

Tax expense comprises current tax and deferred tax.

i. Provision for current tax is made on the basis of estimated taxable income for the current accounting year determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.



**KIKO Cosmetics Retail Private Limited****Notes to the financial statements for the year ended March 31, 2024****2. Summary of material accounting policies (continued)**

- ii. Minimum Alternate Tax ('MAT') under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.
- iii. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

**k) Provisions and contingent liabilities****i. Provisions:**

Provisions are recognised when the Company has a present obligation as a result of a past events and it is probable that an outflow of resources will be required to settle the obligations and the amount can be reliably estimated. Such provisions are not discounted to their present value and are determined based on management's estimation of the obligation required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect management's current estimates.

**ii. Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**l) Cash and cash equivalents**

Cash and cash equivalents include cash on hand and balance with banks.

**m) Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for any charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

**n) Material events**

Material events occurring after the Balance Sheet date are taken into cognizance.

**KIKO Cosmetics Retail Private Limited****Notes to the Financial Statements for the year ended March 31,2024**

(All amount in Rs. thousand, unless otherwise stated)

**3. Property, plant and equipment**

|                        | Gross block (at cost)   |           |                            | Accumulated depreciation |                         |                        |                            | Net Block              |                        |
|------------------------|-------------------------|-----------|----------------------------|--------------------------|-------------------------|------------------------|----------------------------|------------------------|------------------------|
|                        | As at<br>1st April 2023 | Additions | Disposals /<br>adjustments | As at<br>31 March 2024   | As at<br>1st April 2023 | Charge for the<br>year | Disposals /<br>adjustments | As at<br>31 March 2024 | As at<br>31 March 2024 |
| <b>Owned assets</b>    |                         |           |                            |                          |                         |                        |                            |                        |                        |
| Leasehold improvements | 31,720                  | -         | 8,926                      | 22,794                   | 21,766                  | 3,923                  | 7,527                      | 18,162                 | 4,632                  |
| Office equipments      | 13,202                  | -         | 1,012                      | 12,190                   | 9,606                   | 1,616                  | 814                        | 10,408                 | 1,782                  |
| Furniture and fittings | 20,244                  | -         | 1,114                      | 19,130                   | 13,685                  | 2,519                  | 877                        | 15,327                 | 3,803                  |
| Computers              | 8,840                   | -         | 616                        | 8,224                    | 7,829                   | 463                    | 585                        | 7,707                  | 517                    |
| <b>Total</b>           | <b>74,006</b>           | <b>-</b>  | <b>11,668</b>              | <b>62,338</b>            | <b>52,886</b>           | <b>8,521</b>           | <b>9,803</b>               | <b>51,603</b>          | <b>10,734</b>          |

**Previous Year**

|                        | Gross block (at cost)   |            |                            | Accumulated depreciation |                         |                        |                            | Net Block              |                        |
|------------------------|-------------------------|------------|----------------------------|--------------------------|-------------------------|------------------------|----------------------------|------------------------|------------------------|
|                        | As at<br>1st April 2022 | Additions  | Disposals /<br>adjustments | As at<br>31 March 2023   | As at<br>1st April 2022 | Charge for the<br>year | Disposals /<br>adjustments | As at<br>31 March 2023 | As at<br>31 March 2023 |
| <b>Owned Assets</b>    |                         |            |                            |                          |                         |                        |                            |                        |                        |
| Leasehold improvements | 33,021                  | 676        | 1,977                      | 31,720                   | 18,239                  | 4,951                  | 1,424                      | 21,766                 | 9,954                  |
| Office equipments      | 14,246                  | 87         | 1,131                      | 13,202                   | 8,658                   | 1,979                  | 1,031                      | 9,606                  | 3,596                  |
| Furniture and fittings | 20,193                  | 51         | -                          | 20,244                   | 10,885                  | 2,800                  | -                          | 13,685                 | 6,559                  |
| Computers              | 9,836                   | -          | 996                        | 8,840                    | 7,339                   | 1,417                  | 927                        | 7,829                  | 1,011                  |
| <b>Total</b>           | <b>77,296</b>           | <b>814</b> | <b>4,104</b>               | <b>74,006</b>            | <b>45,121</b>           | <b>11,147</b>          | <b>3,382</b>               | <b>52,886</b>          | <b>21,120</b>          |

Note: - The Company does not hold any immovable property and all the lease agreements are duly executed in favour of the Company.

**4. Intangible assets**

|                     | Gross block (at cost)   |           |                            | Accumulated amortisation |                         |                        |                            | Net Block              |                        |
|---------------------|-------------------------|-----------|----------------------------|--------------------------|-------------------------|------------------------|----------------------------|------------------------|------------------------|
|                     | As at<br>1st April 2023 | Additions | Disposals /<br>adjustments | As at<br>31 March 2024   | As at<br>1st April 2023 | Charge for the<br>year | Disposals /<br>adjustments | As at<br>31 March 2024 | As at<br>31 March 2024 |
| <b>Owned assets</b> |                         |           |                            |                          |                         |                        |                            |                        |                        |
| Software            | 5,974                   | -         | 5,974                      | -                        | 5,651                   | 24                     | 5,675                      | -                      | -                      |
| <b>Total</b>        | <b>5,974</b>            | <b>-</b>  | <b>5,974</b>               | <b>-</b>                 | <b>5,651</b>            | <b>24</b>              | <b>5,675</b>               | <b>-</b>               | <b>-</b>               |

**Previous Year**

|                     | Gross block (at cost)   |           |                            | Accumulated amortisation |                         |                        |                            | Net Block              |                        |
|---------------------|-------------------------|-----------|----------------------------|--------------------------|-------------------------|------------------------|----------------------------|------------------------|------------------------|
|                     | As at<br>1st April 2022 | Additions | Disposals /<br>adjustments | As at<br>31 March 2023   | As at<br>1st April 2022 | Charge for the<br>year | Disposals /<br>adjustments | As at<br>31 March 2023 | As at<br>31 March 2023 |
| <b>Owned assets</b> |                         |           |                            |                          |                         |                        |                            |                        |                        |
| Software            | 6,106                   | -         | 132                        | 5,974                    | 5,333                   | 444                    | 126                        | 5,651                  | 323                    |
| <b>Total</b>        | <b>6,106</b>            | <b>-</b>  | <b>132</b>                 | <b>5,974</b>             | <b>5,333</b>            | <b>444</b>             | <b>126</b>                 | <b>5,651</b>           | <b>323</b>             |

**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

| <b>5 Other non-current assets</b><br>(Unsecured, considered good)                           | <b>As at 31 March</b><br><b>2024</b> | <b>As at 31 March</b><br><b>2023</b> |
|---|--------------------------------------|--------------------------------------|
| Security deposits   | 20,033                               | 23,827                               |
| Less: Provision against security deposit  | (645)                                | (645)                                |
| <b>Total</b>  | <b>19,388</b>                        | <b>23,182</b>                        |
| <b>6 Inventories</b><br>(Valued at lower of cost or net realisable value)                   | <b>As at 31 March</b><br><b>2024</b> | <b>As at 31 March</b><br><b>2023</b> |
| Traded goods  | 10,693                               | 27,140                               |
| Inventory for consumable stores   | -                                    | -                                    |
| <b>Total</b>  | <b>10,693</b>                        | <b>27,140</b>                        |
| *The Company deals in only one line of product i.e. cosmetics and other allied accessories. |                                      |                                      |
| <b>7 Cash and cash equivalents</b>  | <b>As at 31 March</b><br><b>2024</b> | <b>As at 31 March</b><br><b>2023</b> |
| Balances with banks   |                                      |                                      |
| In current accounts   | 31,493                               | 3,528                                |
| Demand deposits (with original maturity of 3 months or less)                                | -                                    | 1,489                                |
| Cash on hand  | 1,286                                | 233                                  |
| <b>Total</b>  | <b>32,779</b>                        | <b>5,250</b>                         |
| <b>8 Short-term loans and advances</b><br>(unsecured, considered good)                      | <b>As at 31 March</b><br><b>2024</b> | <b>As at 31 March</b><br><b>2023</b> |
| Balance with government authorities   | 2,692                                | 1,362                                |
| TDS receivable  | -                                    | 29                                   |
| Advances to suppliers   | 61                                   | 58                                   |
| Advances to employee  | -                                    | 42                                   |
| Prepaid Expenses  | 432                                  | 6,186                                |
| <b>Total</b>  | <b>3,185</b>                         | <b>7,677</b>                         |
| <b>9 Other current assets</b><br>(Unsecured considered good, unless stated otherwise)       | <b>As at 31 March</b><br><b>2024</b> | <b>As at 31 March</b><br><b>2023</b> |
| Interest accrued on bank deposits   | 7                                    | 7                                    |
| Credit card receivables   | 71                                   | 53                                   |
| Other recoverable   | -                                    | -                                    |
| <b>Total</b>  | <b>78</b>                            | <b>60</b>                            |

**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

**10 Authorised Share Capital**

The Company has only one class of shares having a par value of Rs. 10 per share referred to herein as equity share.

| Particulars   | As at 31 March 2024 |                 | As at 31 March 2023 |                 |
|---|---------------------|-----------------|---------------------|-----------------|
|   | Number              | Amount          | Number              | Amount          |
| <b>Authorised shares</b>                              |                     |                 |                     |                 |
| Equity shares of Rs. 10 each with equal voting rights | 2,50,00,000         | 2,50,000        | 2,50,00,000         | 2,50,000        |
| <b>Issued, subscribed and fully paid up shares</b>    |                     |                 |                     |                 |
| Equity shares of Rs. 10 each with equal voting rights | 2,24,29,112         | 2,24,291        | 2,24,29,112         | 2,24,291        |
| <b>Total</b>  | <b>2,24,29,112</b>  | <b>2,24,291</b> | <b>2,24,29,112</b>  | <b>2,24,291</b> |

**a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

| Particulars                          | As at 31 March 2024 |                 | As at 31 March 2023 |                 |
|--------------------------------------|---------------------|-----------------|---------------------|-----------------|
|                                      | Number              | Amount          | Number              | Amount          |
| <b>At the beginning of the year</b>  | <b>2,24,29,112</b>  | <b>2,24,291</b> | <b>2,24,29,112</b>  | <b>2,24,291</b> |
| Share capital issued during the year | -                   | -               | -                   | -               |
| <b>At the end of the year</b>        | <b>2,24,29,112</b>  | <b>2,24,291</b> | <b>2,24,29,112</b>  | <b>2,24,291</b> |

**b) Shares held by its holding company**

| Particulars  | Nature of Relationship | As at 31 March 2024 |          | As at 31 March 2023 |          |
|--|------------------------|---------------------|----------|---------------------|----------|
|  |                        | Number              | Amount   | Number              | Amount   |
| Reliance Beauty & Personal Care Limited                                    | Holding Company        | 2,24,29,112         | 2,24,291 | -                   | -        |
| KIKO S.P.A, Italy<br>(Previously Known as KIKO International S.r.L, Italy) | Holding Company        | -                   | -        | 1,14,38,847         | 1,14,388 |

**c) Details of shareholders holding more than 5% shares in the Company**

| Particulars   | Nature          | As at 31 March 2024 |              | As at 31 March 2023 |              |
|---|-----------------|---------------------|--------------|---------------------|--------------|
|   |                 | Number              | % of Holding | Number              | % of Holding |
| Reliance Beauty & Personal Care Limited   | Holding Company | 2,24,29,112         | 100%         | -                   | -            |
| KIKO S.P.A, Ital<br>(Previously Known as KIKO International S.r.L, Italy)             | Holding Company | -                   | -            | 1,14,38,847         | 51%          |
| Pure Home & Living Private Limited<br>(Previously know as DLF Brands Private Limited) | Joint Venturer  | -                   | -            | 1,09,90,265         | 49%          |
|   |                 | <b>2,24,29,112</b>  | <b>100%</b>  | <b>2,24,29,112</b>  | <b>100%</b>  |

**d) Terms/rights attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Company has not proposed/declared any dividend in the current year as well as in the previous year.

e) The Company has not issued bonus shares, equity shares issued for consideration other than cash and also no shares have been bought back during the current year and five years immediately preceding the current year.

**f) Details of promoter share as below:-**

| Shares held by promoters at the end of the year 31 March 2024 |  |              |                   |       | % Change during the year | Shares held by promoters at the end of the year 31 March 2023 |               |              |                   |  | % Change during the year |
|---|--|--------------|-------------------|-------|--------------------------|---|---------------|--------------|-------------------|--|--------------------------|
| S. No.  | Promoter Name                            | No of Shares | % of total shares |       |                          | S. No.  | Promoter Name | No of Shares | % of total shares |  |                          |
| 1   | Reliance beauty & pers onal Care Limited | 2,24,29,112  | 100%              | 100%  | 1                        | KIKO S.P.A, Italy   | 1,14,38,847   | 51%          | -                 |  |                          |
| 2   | KIKO S.P.A, Italy                        | 1,14,38,847  | 0%                | (51%) | 2                        | Pure Home & Home Living Private Limited                       | 1,09,90,265   | 49%          | -                 |  |                          |
| 3   | PURE Home & Living Private Limited       | 1,09,90,265  | 0%                | (49%) |                          |   |               |              |                   |  |                          |

**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

|  |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>11 Reserves and surplus</b>                               | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> |
| <b>Surplus/(Deficit) in the Statement of Profit and Loss</b> |                                |                                |
| Opening balance  | (2,90,829)                     | (2,44,780)                     |
| Add: Profit/(Loss) for the year                              | (56,614)                       | (46,049)                       |
| <b>Closing balance</b>                                       | <b>(3,47,443)</b>              | <b>(2,90,829)</b>              |

|                                 |                                |                                |
|---------------------------------|--------------------------------|--------------------------------|
| <b>12 Long term liabilities</b> | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> |
| Loan term Borrowings            | 1,75,000                       | 3,503                          |
| <b>Total</b>                    | <b>1,75,000</b>                | <b>3,503</b>                   |

|  |                                |                                |                                |                                |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| <b>13 Provisions</b>                     | <b>Long term</b>               |                                | <b>Short term</b>              |                                |
|  | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> |
| <b>Provisions for employee benefits</b>  |                                |                                |                                |                                |
| - Provision for gratuity (Refer note 26) | 2,106                          | 2,518                          | 186                            | 47                             |
| - Provision for leave encashment         | 487                            | 2,049                          | 45                             | 129                            |
| Other provisions (Refer note 32)         | -                              | -                              | -                              | 144                            |
| <b>Total</b>                             | <b>2,593</b>                   | <b>4,567</b>                   | <b>231</b>                     | <b>320</b>                     |

|   |                                |                                |
|---|--------------------------------|--------------------------------|
| <b>14 Trade payables</b>  | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> |
| Total outstanding dues of micro and small enterprises (Refer note 32)       | -                              | 612                            |
| Total outstanding dues of creditors other than micro and small enterprises* | 13,048                         | 1,35,757                       |
| <b>Total</b>  | <b>13,048</b>                  | <b>1,36,369</b>                |

**Trade Payables ageing schedule**

| Particulars              | Outstanding as at 31 March 2024 from the due date of payment |                  |           |           |                   |               |
|--------------------------|--|------------------|-----------|-----------|-------------------|---------------|
|                          | Not Due  | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 years | Total         |
| 1. MSME                  | -  | -                | -         | -         | -                 | -             |
| 2. Others                | 11,926   | 1,122            | -         | -         | -                 | 13,048        |
| 3. Disputed dues- MSME   | -  | -                | -         | -         | -                 | -             |
| 4. Disputed dues- Others | -  | -                | -         | -         | -                 | -             |
| <b>Total</b>             | <b>11,926</b>  | <b>1,122</b>     | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>13,048</b> |

| Particulars              | Outstanding as at 31 March 2023 from the due date of payment |                  |               |              |                   |                 |
|--------------------------|--|------------------|---------------|--------------|-------------------|-----------------|
|                          | Not Due  | Less than 1 year | 1-2 Years     | 2-3 Years    | More than 3 years | Total           |
| 1. MSME                  | 308  | 304              | -             | -            | -                 | 612             |
| 2. Others                | 3,410  | 44,345           | 76,279        | 9,217        | 2,506             | 1,35,757        |
| 3. Disputed dues- MSME   | -  | -                | -             | -            | -                 | -               |
| 4. Disputed dues- Others | -  | -                | -             | -            | -                 | -               |
| <b>Total</b>             | <b>3,718</b>   | <b>44,649</b>    | <b>76,279</b> | <b>9,217</b> | <b>2,506</b>      | <b>1,36,369</b> |

|  |                                |                                |
|--|--------------------------------|--------------------------------|
| <b>15 Other current liabilities</b>        | <b>As at 31 March<br/>2024</b> | <b>As at 31 March<br/>2023</b> |
| Payable for property, plant and equipment* | -                              | -                              |
| Statutory dues payable                     | 1,166                          | 1,995                          |
| Employee related payables                  | 94                             | 2,472                          |
| Other Payables                             | 6,000                          | -                              |
| Deferred Lease Liability                   | 1,877                          | 2,064                          |
| <b>Total</b>                               | <b>9,137</b>                   | <b>6,531</b>                   |

**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

| <b>16 Revenue from operations</b>   | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
|---|--------------------------------|--------------------------------|
| Sale of products*   | 99,928                         | 1,87,355                       |
|   | <b>99,928</b>                  | <b>1,87,355</b>                |
| *The Company deals in only one line of product i.e. cosmetics and other allied accessories. |                                |                                |
| <b>17 Other income</b>  | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
| Interest income   | 40                             | 91                             |
| Provision no longer required written back   | 4,165                          | 2                              |
| Net gain on foreign currency transactions   | 30                             | -                              |
|   | <b>4,235</b>                   | <b>93</b>                      |
| <b>18 Purchases of Stock-in-trade</b>   | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
| Purchases of traded goods*  | 26,863                         | 47,763                         |
|   | <b>26,863</b>                  | <b>47,763</b>                  |
| *The Company deals in only one line of product i.e. cosmetics and other allied accessories. |                                |                                |
| <b>19 Changes in inventories of Stock-in-trade</b>  | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
| Opening Inventory of traded goods   | 27,140                         | 61,371                         |
| Less: Closing Inventory of traded goods   | (10,693)                       | (27,140)                       |
| <b>Changes in inventories of traded goods</b>   | <b>16,447</b>                  | <b>34,231</b>                  |
| <b>20 Employee benefit expenses</b>   | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
| Salaries, wage and other allowances   | 32,727                         | 38,183                         |
| Contribution to provident fund (refer note 26)  | 1,711                          | 1,979                          |
| Gratuity (refer note 26)  | 345                            | 889                            |
| Leave encashment  | 498                            | -                              |
| Staff welfare expense   | 503                            | 730                            |
|   | <b>35,784</b>                  | <b>41,781</b>                  |

**KIKO Cosmetics Retail Private Limited****Notes to the Financial Statements for the year ended March 31, 2024**

(All amount in Rs. thousand, unless otherwise stated)

**21 Finance costs**

|  | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
|--|--------------------------------|--------------------------------|
| Interest on Short Term Borrowing from JV Shareholder ( PURE HOME & LIVING PRIVATE LIMITED) | 142                            | -                              |
| Interest on delayed payment of taxes   | 21                             | 27                             |
| Interest on micro and small enterprises (refer note 32)                                    | -                              | 6                              |
|  | <b>163</b>                     | <b>33</b>                      |

**22 Depreciation and amortization expenses**

|  | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
|--|--------------------------------|--------------------------------|
| Depreciation of tangible assets (refer note 3)   | 8,521                          | 11,148                         |
| Amortization of intangible assets (refer note 4) | 24                             | 444                            |
|  | <b>8,545</b>                   | <b>11,592</b>                  |

**23 Other expenses**

|  | <b>As at<br/>31 March 2024</b> | <b>As at<br/>31 March 2023</b> |
|--|--------------------------------|--------------------------------|
| Rent and mall maintenance (refer note 30 (i))      | 41,508                         | 53,845                         |
| Rates and taxes                                    | 7,161                          | 3,232                          |
| Communication expenses                             | 461                            | 860                            |
| Repairs and maintenance (refer note 28)            |                                |                                |
| - Others   | 1,722                          | 1,811                          |
| Travelling and conveyance                          | 1,388                          | 1,994                          |
| Legal and professional fees                        | 3,626                          | 3,644                          |
| Payment to auditors (refer note 29)                | 1,200                          | 1,000                          |
| Electricity and water                              | 1,858                          | 2,686                          |
| Consumption of stores                              | 3,789                          | 11,797                         |
| Housekeeping and security expenses                 | 2,173                          | 2,576                          |
| Advertisement and sales promotion expense          | 1,368                          | 1,511                          |
| Credit card and bank charges                       | 807                            | 1,590                          |
| Warehousing charges (refer note 30 (i))            | 1,011                          | 946                            |
| Insurance expenses                                 | 1,330                          | 1,642                          |
| Logistics and Distribution expenses                | 695                            | 468                            |
| Recruitment and training expense                   | 20                             | 108                            |
| Net loss on foreign currency transactions          | -                              | 2                              |
| Discount to customers                              | -                              | 6,584                          |
| Loss on disposal of Property, plant and equipments | 2,164                          | 729                            |
| Miscellaneous expenses (refer note 28)             | 694                            | 1,072                          |
|  | <b>72,975</b>                  | <b>98,097</b>                  |

**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

**24 Commitments**

Capital commitment (net of advances) as at March 31, 2024 is Rs. Nil (March 31, 2023: Rs. Nil).

**25 Earning per share**

The calculation of Earning per Share has been made in accordance with Accounting Standard (AS) - 20. A statement on calculation of basic and diluted (loss)/earnings per share is as under:

|   | Reference | Unit     | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|-----------|----------|------------------------|------------------------|
| Profit/(Loss) attributable to Equity shareholders                                   | A         | Rs. \000 | (56,614)               | (46,049)               |
| Number of fully paid equity shares outstanding at the beginning of the year         |           | Nos      | 2,24,29,112            | 2,24,29,112            |
| Number of fully paid equity shares issued during the year                           |           | Nos      | -                      | -                      |
| Weighted average number of equity shares of Rs. 10 each outstanding during the year | B         | Nos      | 2,24,29,112            | 2,24,29,112            |
| <b>Basic and Dilutive* earnings/(loss) per share</b>                                | A/B       | Rupees   | <b>(2.52)</b>          | <b>(2.05)</b>          |

\*The Company has no potential equity shares.

**26 Employee benefits obligations:**

The Company has in accordance with the Accounting Standard-15 (Revised) 'Employee Benefits' has calculated the various benefits provided to employees as under:

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:-

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| Employer's contribution to provident fund | 1,711                  | 1,979                  |
| <b>Total Contribution</b>                 | <b>1,711</b>           | <b>1,979</b>           |

**b. Defined employee benefits**

The present value obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized positions of defined benefit is as under:

**A. Actuarial assumptions**

|  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|------------------------|------------------------|
| Discount rate (per annum)                                    | 7.23% p.a.             | 7.26% p.a.             |
| Expected rate of increase in compensation levels (per annum) | 6% p.a.                | 8% p.a.                |
| <b>Employee benefits obligations:</b>                        |                        |                        |
| Retirement age (years)                                       | 58                     | 60                     |
| Mortality table  | IALM (2012-14)         | IALM (2012-14)         |
| <b>Withdrawal rate</b>                                       |                        |                        |
| Up to 30 Years   | 7.00%                  | 7.55%                  |
| From 31 to 44 years  | 7.00%                  | 3.82%                  |
| Above 44 years   | 7.00%                  | 4.17%                  |

The discount rate has been assumed at 7.23 % p.a. (31 March 2031: 7.26 % p.a.) which is determined by reference to market yield at the Balance Sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**B. Changes in the present value of the defined benefit obligation are as follows:**

|                                     | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-------------------------------------|------------------------|------------------------|
| Opening present value of obligation | 2,565                  | 2,278                  |
| Interest cost                       | 190                    | 165                    |
| Current service cost                | 568                    | 649                    |
| Benefits paid                       | (617)                  | (602)                  |
| Actuarial (gain)/loss on obligation | (414)                  | 75                     |
| Closing present value of obligation | <b>2,292</b>           | <b>2,565</b>           |



**KIKO Cosmetics Retail Private Limited**  
**Notes to the Financial Statements for the year ended March 31, 2024**  
 (All amount in Rs. thousand, unless otherwise stated)

**26 Employee benefits obligations (continued)**

**C. Expenses recognised in the statement of profit and loss**

|  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|------------------------|------------------------|
| Current service cost                                   | 568                    | 649                    |
| Interest cost  | 190                    | 165                    |
| Net actuarial (gain)/ loss to be recognized            | (414)                  | 75                     |
| Expense recognised in the Statement of Profit and Loss | <u>344</u>             | <u>889</u>             |

**D. Reconciliation of present value of defined benefit obligation and fair value of assets**

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| Present value of defined benefit obligation as at the end of the year | 2,292                  | 2,565                  |
| Amount classified as:   |                        |                        |
| Short term provision (Refer note 13)                                  | 186                    | 47                     |
| Long term provision (Refer note 13)                                   | 2,106                  | 2,518                  |

**E. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets on gratuity**

| Particulars                           | As at         | As at         | As at         | As at         | As at         |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
|                                       | 31 March 2024 | 31 March 2023 | 31 March 2022 | 31 March 2021 | 31 March 2020 |
| PBO                                   | 2,293         | 2,565         | 2,278         | 2,829         | 1,857         |
| Plan assets                           | -             | -             | -             | -             | -             |
| Net assets/(Liability)                | (2,293)       | (2,565)       | (2,278)       | (2,829)       | (1,857)       |
| Experience gain/(loss) on PBO         |               | (1,214)       | 1,264         | 56            | 136           |
| Experience gain/(loss) on plan assets | -             |               | -             | -             | -             |

**F. Enterprise best estimate of expense for the next Annual reporting period is Rs. Nil (31st March 2023: Rs. 10,83.11 thousand)**

**27 Derivative instruments and unhedged foreign currency exposure**

The Year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise as follows:

| Particulars                         | Amount in Foreign Currency |               | Equivalent amount in INR |               |
|-------------------------------------|----------------------------|---------------|--------------------------|---------------|
|                                     | As at                      | As at         | As at                    | As at         |
|                                     | 31 March 2024              | 31 March 2023 | 31 March 2024            | 31 March 2023 |
| <b>Payables in Foreign Currency</b> |                            |               |                          |               |
| <b>Trade Payables</b>               |                            |               |                          |               |
| EURO                                |                            | 5,466         | 498                      | 1,043         |

**28 Expenditure in foreign currency**

|   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| Repair and maintenance( part of Note no 23) | 930                    | 1,321                  |
| Miscellaneous expenses                      | -                      | 10                     |
|   | <u>930</u>             | <u>1,331</u>           |

**29 Payment to auditors (excluding Goods and Service Tax)**

|                 | As at<br>31 March 2024 | As at<br>31 March 2023 |
|-----------------|------------------------|------------------------|
| Statutory audit | 1,200                  | 850                    |
| Tax audit       | -                      | 150                    |
|                 | <u>1,200</u>           | <u>1,000</u>           |

**KIKO Cosmetics Retail Private Limited****Notes to the Financial Statements for the year ended March 31, 2024**

(All amount in Rs. thousand, unless otherwise stated)

**30 Leases**

- (i) The Company has operating leases for office space, retail stores and warehouses at various locations. These lease arrangements has a range period of 5 to 9 years from the date of commencement.

| Particulars  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--|------------------------|------------------------|
| Lease expense recognised in the statement of profit and loss | 42,519                 | 54,791                 |

**The future minimum lease payments under non-cancellable operating leases in the aggregate and for each of the following periods:**

|   |   |     |
|---|---|-----|
| Within one year                             | - | 224 |
| After one year but not more than five years | - | -   |
| More than five years                        | - | -   |

**31 CIF value of imports**

| Particulars  | As at<br>31 March 2024 | As at<br>31 March 2023 |
|--------------|------------------------|------------------------|
| Stores       | -                      | 4,443                  |
| Traded goods | 27,130                 | 46,997                 |
|              | <u>27,130</u>          | <u>51,440</u>          |

**32 Disclosure as required by Micro, Small and Medium Enterprises Development Act, 2006 in respect of payments due to any supplier are as follows:**

| Particulars   | As at<br>31 March 2024 | As at<br>31 March 2023 |
|---|------------------------|------------------------|
| (a) Amount remaining unpaid to any supplier at the end of each accounting year:   |                        |                        |
| - Principal amount  |                        |                        |
| - Trade Payable   | -                      | 612                    |
| - Payable in respect of purchase of Property Plant and Equipment  | -                      | -                      |
| - the interest due thereon  |                        |                        |
| - Trade Payable   | -                      | 6                      |
| - Payable in respect of purchase of Property Plant and Equipment  | -                      | -                      |
| (b) the amounts paid by the buyer during the year:  |                        |                        |
| - interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006:   |                        |                        |
| - Principle repaid to suppliers beyond the appointed day during each accounting year  | -                      | -                      |
| (c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;   | -                      | -                      |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year  | -                      | 144                    |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | -                      | -                      |

## KIKO Cosmetics Retail Private Limited

## Notes to the Financial Statements for the year ended March 31, 2024

(All amount in Rs. thousand, unless otherwise stated)

## 33 Related party disclosures

## A. Names of related parties and description of relationships

In accordance with the required Accounting Standard (AS-18) on "Related Party Disclosures" where control exists:

## Relationship

## Parties that exercise control:

Ultimate Holding Company  
Holding Company  
Joint Venturer

Key management personnel and their relatives

\* Director on

## Name of Related Parties

Reliance Beauty and Personal Care Limited (w.e.f 8th February 2024)  
KIKO SPA (upto 7th February 2024 )  
Pure Home & Living Private Limited( upto7th February 2024)

Mr. Gaurav Jain, Director (w.e.f 8th February 2024)  
Mr. Sridhar Kothandaraman, Director (w.e.f 8th February 2024)  
Mr. Venkatesh Raghavendra Gulur, Director (w.e.f 8th February 2024)  
Mr. Dinesh Sharma, Director (upto 15th December 2023)  
Mr. Abhishek Bhattacharya, Director (upto 7th February 2024)  
Mr. Dhiraj Sarana, Director ( upto 7th February 2024)  
Mr. Zaffar Baig, Director (upto 7th February 2024)  
Mr. Francesca Magnani, Director ( upto 7th February 2024)

| B. Transactions with related parties            | Ultimate holding Company        | Holding Company                       | Fellow Subsidiary               | Fellow Subsidiary               | Joint Venturer                  | Entities under Significant influence of KMP        | Key management personnel        |                                       |                                 |                                       |                                 |
|---|---------------------------------|---------------------------------------|---------------------------------|---------------------------------|---------------------------------|--|---------------------------------|---------------------------------------|---------------------------------|---------------------------------------|---------------------------------|
| Particulars                                     | Year ended 31 March 2024        | Year ended (upto 7th Feb 2024)        | Year ended 31 March 2023        | Year ended 31 March 2024        | Year ended 31 March 2023        | Year ended (upto 7th Feb 2024)                     | Year ended 31 March 2023        | Year ended (upto 7th Feb 2024)        | Year ended 31 March 2023        | Year ended (upto 7th Feb 2024)        | Year ended 31 March 2023        |
| Purchase of traded goods                        | -                               | 20,851                                | 39,363                          | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| Rent and Mall Maintenance Charges               | -                               | -                                     | -                               | -                               | -                               | 136  | -                               | -                                     | -                               | -                                     | -                               |
| Purchase from Reliance Brands Ltd               | -                               | -                                     | -                               | 10,000                          | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| Issue of Shares                                 |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| -Reliance beauty and personal care Limited      | 2,24,291                        | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| <b>Remuneration (including reimbursements):</b> |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| - Abhishek Bhattacharya                         | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | 7,596                                 | 7,120                           |
| - Dinesh Sharma                                 | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | 3,106                                 | 4,393                           |
| <b>C. Balances with related parties</b>         | <b>Ultimate Holding Company</b> | <b>Holding Company</b>                | <b>Fellow Subsidiary</b>        | <b>Fellow Subsidiary</b>        | <b>Joint Venturer</b>           | <b>Entities under Significant influence of KMP</b> | <b>Key management personnel</b> |                                       |                                 |                                       |                                 |
| <b>Particulars</b>                              | <b>Year ended 31 March 2024</b> | <b>Year ended (upto 7th Feb 2024)</b> | <b>Year ended 31 March 2023</b> | <b>Year ended 31 March 2024</b> | <b>Year ended 31 March 2023</b> | <b>Year ended (upto 7th Feb 2024)</b>              | <b>Year ended 31 March 2023</b> | <b>Year ended (upto 7th Feb 2024)</b> | <b>Year ended 31 March 2023</b> | <b>Year ended (upto 7th Feb 2024)</b> | <b>Year ended 31 March 2023</b> |
| <b>Equity share capital</b>                     |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| Reliance beauty and personal care Limited       | 2,24,291                        | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| KIKO SPA  | -                               | 11,439                                | 11,439                          | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| Pure Home and Living Private Limited            | -                               | -                                     | -                               | -                               | -                               | 10,990   | 10,990                          | -                                     | -                               | -                                     | -                               |
| Trade Payable                                   | -                               | 1,43,375                              | 1,26,563                        | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| Trade Payable                                   |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| Reliance Brands Ltd                             | -                               | -                                     | -                               | 7,226                           | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| Other Receivable                                | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | -                               |
| <b>Salary Payable:</b>                          |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| - Abhishek Bhattacharya                         | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | 296                             |
| - Dinesh Sharma                                 | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | 204                             |
| <b>Reimbursement Payable:</b>                   |                                 |                                       |                                 |                                 |                                 |  |                                 |                                       |                                 |                                       |                                 |
| - Abhishek Bhattacharya                         | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | 85                              |
| - Dinesh Sharma                                 | -                               | -                                     | -                               | -                               | -                               | -  | -                               | -                                     | -                               | -                                     | 129                             |

\* Remuneration does not include the gratuity and leave encashment expense as the incremental liability has been accounted for by the Company as a whole and separate details for individual employee is not available.

**KIKO Cosmetics Retail Private Limited****Notes to the Financial Statements for the year ended March 31, 2024**

(All amount in Rs. thousand, unless otherwise stated)

**34 Ratios**

| S No. | Ratio                                       | Particulars                                 |  | Ratio as on   | Ratio as on   | Variation |
|-------|---|---|--|---------------|---------------|-----------|
|       |   | Numerator                                   | Denominator  | 31 March 2024 | 31 March 2023 |           |
| (a)   | Current Ratio<br>(Notes: 1)                 | Current Assets                              | Current Liability  | 2.21          | 0.28          | 688%      |
| (b)   | Return on Equity Ratio                      | Profit after Tax                            | Average shareholder's equity   | -25%          | -32%          | 23%       |
| (c)   | Inventory Turnover Ratio                    | Revenue from operations                     | Average Inventories  | 2.29          | 1.85          | 24%       |
| (d)   | Trade Payables Turnover Ratio<br>(Notes: 2) | Net Credit Purchases                        | Average payables   | 0.36          | 0.16          | 126%      |
| (e)   | Net Capital Turnover Ratio<br>(Notes:3)     | Revenue from operations                     | Average Working Capital=<br>Average of Current assets –<br>Current liabilities | 2.58          | 0.93          | 176%      |
| (f)   | Net Profit Ratio<br>(Notes: 4)              | Profit after Tax                            | Revenue from operations  | -55%          | -25%          | 126%      |
| (g)   | Return on Capital Employed<br>(Notes: 4)    | EBIT= Earnings before<br>interest and taxes | Capital Employed= Total<br>Assets - Current Liability                          | -100%         | 79%           | -226%     |

**Notes:**

- 1 Increase in current ratio is driven by significant reduction in trade payables after payment was made to the major supplier.
- 2 Increase in trade payables turnover ratio is due reduction in trade payables after the payment was made to the major supplier.
- 3 Decrease in net capital turnover ratio is driven by significant reduction in revenue from operations due to reduced fresh purchases of stock.
- 4 Profitability ratio and Return on capital employed have declined due to decrease in sales due to inventory constraint in the current year.

**KIKO Cosmetics Retail Private Limited****Notes to the Financial Statements for the year ended March 31, 2024**

(All amount in Rs. thousand, unless otherwise stated)

**35 Segment reporting**

In accordance with Accounting Standard (AS) - 17 "Segment Reporting", the Company's operating business is organised and managed according to a single primary reportable business segment, namely, trading of cosmetic items and other allied accessories which accordingly assists the Company's management in taking operating decisions.

As part of secondary reportable segment, there is no reportable segment on a geographical basis on the basis of location of the customer.

**36 The Company has no foreign currency payable related to trading goods to KIKO S.P.A Italy while (previous year was Rs.12,65,53,734).**

**37** The transfer pricing study under the Income Tax Act, 1961 in respect of the transactions with Group companies for the year ended 31 March 2024 is not yet complete and it will be completed before the filing of income tax return for the Assessment year 2024-25. Adjustments, if any, arising out of the aforesaid will be recorded in the financial year 2024-25. However, the transfer pricing study in respect of the transactions with Group companies for the year ended March 31, 2023 has been completed during the year and the certificate under section 92E of the Income Tax Act, 1961 has been obtained which contains no adverse comments requiring adjustments.

**38 Additional Disclosures**

- a. There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- b. The Company has not revalued its property, plant and equipment or intangible assets or both during the year.
- c. The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets. Hence, the requirement of filing of quarterly returns or statements of current assets with banks or financial institutions is not applicable on the Company.
- d. The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- e. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- f. The Company does not have any charges or satisfaction for the loan taken which is yet to be registered with ROC beyond the statutory period.
- g. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- h. The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- i. (i) The Company has not advanced or loaned or invested funds to any other person or entity, 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.
 (ii) The Company has not received any fund from any person or entity, 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.
- j. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company.
- k. The provision of section 135 of the Companies Act in relation to corporate social responsibility does not apply to the Company during the year.

**39** Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's financial statements.

**For and on behalf of the Board of Directors of  
KIKO Cosmetics Retail Private Limited**

**Venkatesh Raghavendra Gulur**  
Director  
DIN: 02813390

**Gaurav Jain**  
Director  
DIN:02697278

**Sridhar Kothandaraman**  
Director  
DIN: 00012765

**Inderpreet Kaur**  
Company Secretary

**Date : 18th April, 2024**