

Reliance Beauty & Personal Care Limited

**Financial Statements
2023-24**

INDEPENDENT AUDITOR'S REPORT

To The Members of Reliance Beauty & Personal Care Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Reliance Beauty & Personal Care Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management and Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the Company to its directors during the year.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 21 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note 21 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENEH5380

Panaji – Goa, 19th April, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Reliance Beauty & Personal Care Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting

and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENEH5380

Panaji – Goa, 19th April, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- (i) As the Company does not hold any property, plant and equipment, capital work-in-progress and intangible assets, reporting under clause 3(i) of the Order is not applicable.
- (ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has made investments in and granted loans to companies, in respect of which:
- (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below:

	Amount (Rs. '000)
	Loans
A. Aggregate amount granted / provided during the year:	
- Subsidiaries	
Reliance Luxe Beauty Limited	1,319,820
KIKO Cosmetics Retail Private Limited	175,000
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiaries	
Reliance Luxe Beauty Limited	1,319,820
KIKO Cosmetics Retail Private Limited	175,000

- (b) The investments made and the terms and conditions of the grant of the above-mentioned loan provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest. The Company has not provided any guarantees, securities or any advances in the nature of loans.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans or advances in the nature of loans granted by the Company have fallen due during the year.

- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made. The Company has not provided any guarantees or securities.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.
- (vii) In respect of statutory dues,
- (a) There were no undisputed statutory dues in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, duty of customs, cess and other material statutory dues as applicable to the Company, which has become due in the current year, hence reporting under clause 3(vii)(a) of the Order is not applicable.
There were no undisputed amounts payable in respect of Goods and Service tax, Income-tax, cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31st March, 2024.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the following entities on account of or to meet the obligations of its subsidiaries as per details below:

Nature of fund taken	Name of lender	On account of or to meet the obligations of subsidiary			
		Amount involved (Rs. In thousand)	Name of the subsidiary	Relation	Nature of transaction for which funds utilized
Optionally Fully Convertible Debentures	Reliance Retail Ventures Limited	1,319,820	Reliance Luxe Beauty Limited	Subsidiary	Long term fund requirements
Optionally Fully Convertible Debentures	Reliance Retail Ventures Limited	175,000	KIKO Cosmetics Retail Private Limited	Subsidiary	Long term fund requirements

- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) In our opinion, requirements related to of internal audit system under section 138 of the Companies Act, 2013 are not applicable to the Company and hence reporting under clause 3(xiv) of the Order is not applicable.
- (xv) During the year, the Company has not entered into any non-cash transactions covered by Section 192 of the Act with any of its directors or directors of its holding company or persons connected with them and hence reporting under clause 3(xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.

- (d) The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit but had incurred cash losses amounting to Rs. 90.17 thousand in the immediately preceding financial period.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding period and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENEH5380

Panaji – Goa, 19th April, 2024

Reliance Beauty & Personal Care Limited
Balance Sheet as at 31st March, 2024

	Notes	As at 31st March, 2024	₹ in thousands As at 31st March, 2023
Non-Current Assets			
Financial Assets			
Investments	1	12,32,459.62	-
Loans	2	13,19,820.49	-
Other Non-Current Assets	3	1,065.05	-
Total Non-Current Assets		25,53,345.16	-
Current Assets			
Financial Assets			
Cash and Cash Equivalents	4	1,256.74	57.90
Other Financial Assets	5	33,723.71	10.00
Other Current Assets	6	227.52	3.00
Total Current Assets		35,207.97	70.90
Total Assets		25,88,553.13	70.90
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	7	100.00	100.00
Other Equity	8	25,66,128.52	(90.17)
Total Equity		25,66,228.52	9.83
Current Liabilities			
Financial Liabilities			
Trade Payables Due to:			
Micro and Small Enterprises			
Other			
Micro and Small Enterprise		-	-
Other than Micro and Small Enterprise	9	363.45	61.07
Other Financial Liabilities	10	19,588.56	-
Other Current Liabilities	11	2,372.60	-
Total Current Liabilities		22,324.61	61.07
Total Liabilities		22,324.61	61.07
Total Equity and Liabilities		25,88,553.13	70.90

Material accounting policies

See accompanying Notes to the Financial Statements (Note 1 - 22)

Reliance Beauty & Personal Care Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W100018

Dinesh Taluja
Director
DIN: 08144541

Varsha A. Fadte
Partner
Membership No. 103999

Sridhar Kothandaraman
Director
DIN: 00012765

Dated : 19th April 2024

Radhika Disale
Director
DIN: 03107045

Reliance Beauty & Personal Care Limited

Statement of Profit and Loss for the year ended 31st March, 2024

	Note	For the year ended 31st March, 2024	₹ in thousands 28th November, 2022 to 31st March, 2023
INCOME			
Other Income	12	48,681.90	-
Total Income		48,681.90	-
EXPENSES			
Other Expenses	13	281.89	90.17
Total Expenses		281.89	90.17
Profit/(Loss) before Tax		48,400.01	(90.17)
Tax expenses			
Current Tax		12,181.32	-
Deferred Tax		-	-
		12,181.32	-
Profit/(Loss) for the year		36,218.69	(90.17)
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income for the year (Net of tax)		-	-
Total Comprehensive Income for the year		36,218.69	(90.17)
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	14	3,621.87	(9.02)
Diluted (in ₹)	14	0.44	(9.02)
Material accounting policies			
See accompanying Notes to the Financial Statements (1 to 22)			

Reliance Beauty & Personal Care Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W100018

Dinesh Taluja
Director
DIN: 08144541

Varsha A. Fadte
Partner
Membership No. 103999

Sridhar Kothandaraman
Director
DIN: 00012765

Dated : 19th April 2024

Radhika Disale
Director
DIN: 03107045

Reliance Beauty & Personal Care Limited
Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital

	Balance at the beginning of the reporting period i.e. 28th November, 2022	Changes in equity share capital during the period from 28th November, 2022 to 31st March, 2023	Balance at the end of the reporting period i.e. 31st March, 2023	Changes in equity share capital during the year 2023-24	Balance at the end of the reporting period i.e. 31st March, 2024
	-	100.00	100.00	-	100.00

₹ in thousands

B. Other Equity

Particulars	Reserves and Surplus	Instruments Classified as Equity	Total
	Retained Earnings	Zero Coupon Optionally Fully Convertible Debentures of ₹ 10 each, fully paid up	
As on 31st March, 2023			
Balance at the beginning of the reporting period i.e. 28th November, 2022	-	-	-
Total Comprehensive loss for the period	(90.17)	-	(90.17)
Balance at the end of reporting period 31st March, 2023	(90.17)	-	(90.17)
As on 31st March, 2024			
Balance at the beginning of the reporting period i.e. 1st April, 2023	(90.17)	-	(90.17)
Total Comprehensive Profit for the period 23-24	36,218.69	25,30,000.00	25,66,218.69
Balance at the end of reporting period 31st March, 2024	36,128.52	25,30,000.00	25,66,128.52

₹ in thousands

- i) The Company has an option for conversion of 25,30,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) into equity shares, at any time after allotment of the OFCDs by giving one month notice to the OFCD holder. The number of equity shares to be issued upon conversion shall be 1 Equity share per OFCD. If not converted, the Company will redeem the outstanding OFCDs on the expiry of 10 years from the date of allotment.

Reliance Beauty & Personal Care Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W100018

Dinesh Taluja
Director
DIN: 08144541

Varsha A. Fadte
Partner
Membership No. 103999

Sridhar Kothandaraman
Director
DIN: 00012765

Dated : 19th April 2024

Radhika Disale
Director
DIN: 03107045

Reliance Beauty & Personal Care Limited
Cash Flow Statement for the year ended 31st March, 2024

	For the year ended 31st March, 2024	in thousands 28th November, 2022 to 31st March, 2023
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax as per Statement of Profit and Loss	48,400.01	(90.17)
<u>Adjusted for:</u>		
Interest Income	(48,681.90)	-
Operating Profit/(Loss) before Working Capital Changes	(281.89)	(90.17)
<u>Adjusted for:</u>		
Trade and Other Receivables	(224.52)	(13.00)
Trade and Other Payables	22,263.54	61.07
Cash Generated from /(used in) Operations	21,757.13	(42.10)
Taxes Paid (Net)	(13,246.37)	-
Net Cash Flow Generated From/ (used in) Operating Activities	8,510.76	(42.10)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Investment in Subsidiaries	(12,32,459.62)	-
Loans to subsidiaries	(13,19,820.49)	-
Interest Income	14,968.19	-
Net Cash (Used in) Investing Activities	(25,37,311.92)	-
C: CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Share	-	100.00
Proceeds from Issue of Zero Copuon Optionally convertible Debentures	25,30,000.00	-
Net Cash Flow generated from Financing Activities	25,30,000.00	100.00
Net Increase in Cash and Cash Equivalents	1,198.84	57.90
Opening Balance of Cash and Cash Equivalents	57.90	-
Closing balance of Cash and Cash Equivalents	1,256.74	57.90

Reliance Beauty & Personal Care Limited

As per our Report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W100018

Dinesh Taluja
Director
DIN: 08144541

Varsha A. Fadte
Partner
Membership No. 103999

Sridhar Kothandaraman
Director
DIN: 00012765

Dated : 19th April 2024

Radhika Disale
Director
DIN: 03107045

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

A. CORPORATE INFORMATION

Reliance Beauty & Personal Care Limited (the "Company") (CIN:U36990MH2022PLC394262) is a limited Company incorporated in India as on 28th November, 2022, having its registered office at 4th Floor, Plot- 298/302, Court House, Lokmanya Tilak Marg, Kalbadevi, Mumbai 400002, India. The Company's holding Company is Reliance Retail Ventures Limited. The ultimate holding Company of the Company is Reliance Industries Limited. The Company is yet to commence operations and will be engaged in organised retail.

B. MATERIAL ACCOUNTING POLICIES

B.1 BASIS OF PREPARATION AND PRESENTATION

The financial Statements have been prepared on the historical cost basis except for certain Financial Assets and liabilities which have been measured at fair values.

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the requirements notified under the companies (Indian Accounting Standards) rules 2015 (as amended from time to time) and presentation requirements of division II of schedule III to the companies Act, 2013 as applicable.

The Company's financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest crore (₹ 000), except when otherwise stated.

B.2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

(b) Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

(c) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at bank, short-term deposits, and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

(d) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(e) Tax Expenses

The tax expenses for the period comprises current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

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

(f) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit and Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

C. Investment In Subsidiaries:

The Company has accounted for its investments in subsidiaries at cost less impairment loss (if any).

D. Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses "Expected Credit Loss"(ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities

A. Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of Financial Instruments

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a Financial Liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

iv) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(g) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

a) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

b) Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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

₹ in thousands

1 Investments - Non-Current

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	Units	Amount	Units	Amount
Investment measured at Cost				
In Equity Shares of Subsidiary Companies - Unquoted, Fully Paid Up				
Reliance Luxe Beauty Limited*	89,39,488	9,73,344.82	-	-
KIKO Cosmetics Retail Private Limited*	2,24,29,112	84,114.80	-	-
* include 6 shares held in by nominees on the behalf of the company.				
In Debentures of Subsidiary Company - Unquoted, Fully Paid Up				
KIKO Cosmetics Retail Private Limited*	-	1,75,000.00	-	-
Total		12,32,459.62	-	-

1.1 Aggregate amount of Unquoted investments

12,32,459.62

-

1.2 Category-wise Investment - Non-Current

	As at 31st March, 2024		As at 31st March, 2023	
Financial assets measured at Cost		12,32,459.62		-
Total Investment - Non-Current		12,32,459.62		-

* The OFDC holder has an option for conversion of 175,00,000 Zero Coupon Optionally Fully Convertible Debentures (OFCDs) into equity shares, at any time after allotment of the OFCDs by giving one month notice to the Company. The number of equity shares to be issued upon conversion shall be 1 Equity share per OFCD.

2 Loans - Non current (Unsecured and Considered Good)

	As at 31st March, 2024		As at 31st March 2023	
Loans and advances to Related Parties*		13,19,820.49		-
Total		13,19,820.49		-

2.1 Loans and Advances in the nature of Loans given to Subsidiaries.

Name of the Company	As on 31st March 2024	Maximum Balance during the year	As at 31st March 2023	Maximum Balance during the year
Loans - Non-Current				
Reliance Luxe Beauty Limited#	13,19,820.49	13,19,820.49	-	-
Total	13,19,820.49	13,19,820.49	-	-

The loan is given prior to acquisition of subsidiary at an interest rate of 9% per annum.

*All the above loans are given for business purpose.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

3 Other Non-Current Assets <i>(unsecured and considered good)</i>	` in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Advance Income Tax (Net of provision)	1,065.05	-
Total	1,065.05	-

4 Cash and Cash Equivalents	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Balances with Banks	1,256.74	57.90
Total	1,256.74	57.90

5 Other Financial Assets - Current	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Deposits	10.00	10.00
Others (i)	33,713.71	-
Total	33,723.71	10.00

(i) Others comprises Interest receivable on Inter-company loans

6 Other Current Assets <i>(unsecured and considered good)</i>	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Balance with GST Authorities	210.72	3.00
Others (i)	16.80	-
Total	227.52	3.00

(i) Includes Advances to Vendors.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

		As at 31st March, 2024	₹ in thousands As at 31st March, 2023
7 Share Capital			
Authorised:			
	10,00,000 Equity Shares of ₹ 10 each	10,000.00	10,000.00
Total		10,000.00	10,000.00
Issued, Subscribed and Paid-Up:			
	10,000 Equity Shares of ₹ 10 each	100.00	100.00
Total		100.00	100.00

7.1 Out of the above, 10,000 equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited, the Holding Company along with its nominees.

7.2 The details of Shareholders holding more than 5% shares :

Name of the Shareholders	No. of Shares	As at 31st March, 2024	As at 31st March, 2023
		% held	% held
Reliance Retail Ventures Limited (along with its nominees)	10,000	100.00	100.00

7.3 Shareholding of promoters

As at 31st March, 2024

Name of Promoter	No of shares at the beginning of the period	Change during the period	No of shares at the end	% of total shares	% change during the period
Reliance Retail Ventures Limited	10,000	-	10,000	100%	-

As at 31st March, 2023

Name of Promoter	No of shares at the beginning of the period	Change during the period	No of shares at the end	% of total shares	% change during the period
Reliance Retail Ventures Limited	-	10,000	10,000	100%	100%

7.4 The Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2024	As at 31st March, 2023
	No. of shares	No. of shares
Equity Shares outstanding at the beginning of the period	10,000	-
Add: Equity Shares issued during the period	-	10,000
Equity Shares outstanding at the end of the period	10,000	10,000

Rights, Preferences and Restrictions attached to shares

7.5 The Company has only one class of equity shares having face value of ₹ 10 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

Reliance Beauty & Personal Care Limited**Notes to the Financial Statements for the year ended 31st March, 2024**

8 Other Equity	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Instrument Classified as Equity		
Zero Coupon Optionally Fully Convertible Debentures of ` 10 each, fully paid up	25,30,000.00	-
Total Instrument Classified as Equity	25,30,000.00	-
Retained Earnings		
Opening Balance	(90.17)	-
Add: Profit/(Loss) for the year	36,218.69	(90.17)
	36,128.52	(90.17)
Total	25,66,128.52	(90.17)

Reliance Beauty & Personal Care Limited**Notes to the Financial Statements for the year ended 31st March, 2024**

9 Trade Payables Due to	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Micro and Small Enterprises	-	-
Others	363.45	61.07
Total	363.45	61.07

Ageing Schedule as on 31st March, 2024

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	363.45	-	-	-	-	3 63.45
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	3 63.45	-	-	-	-	3 63.45

Ageing Schedule as on 31st March, 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	Total
(i) MSME	-	-	-	-	-	-
(ii) Others	61.07	-	-	-	-	61.07
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	61.07	-	-	-	-	61.07

9.1 There are no overdues amount to Micro, Small and Medium Enterprises as at 31st March, 2024

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

10 Other Financial Liabilities - Current	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Other Payables*	19,588.56	
Total	19,588.56	-

* Includes amount payable on Investment in subsidiary

11 Other Current Liabilities	₹ in thousands	
	As at 31st March, 2024	As at 31st March, 2023
Other Payables*	2,372.60	-
Total	2,372.60	-

* Includes statutory dues.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

12 Other Income	₹ in thousands	
	For the year ended 31st March, 2024	28th November, 2022 to 31st March, 2023
Interest		
Interest on Inter Company Deposits	48,681.90	-
Total	48,681.90	-

13 Other Expenses	₹ in thousands	
	For the year ended 31st March, 2024	28th November, 2022 to 31st March, 2023
Establishment expenses		
Rates and taxes	119.40	29.17
Professional fees	28.25	11.00
General expenses	34.24	-
Subtotal	181.89	40.17
Payments to auditors		
Statutory Audit fees	100.00	50.00
Total	281.89	90.17

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

14 Earnings Per Share (EPS)	For the year ended 31st March, 2024	28th November, 2022 to 31st March, 2023
Face Value per Equity Share (₹)	10	10
Basic Earnings per Share (₹)	3,621.87	(9.02)
Diluted Earnings per Share (₹)	0.44	(9.02)
Net Profit/(Loss) as per Profit and Loss Statement attributable to Equity Shareholders (₹ in thousands)	36,218.69	(90.17)
Weighted average number of equity shares used as denominator for calculating Basic EPS	10,000	10,000
Weighted average number of equity shares used as denominator for calculating Diluted EPS	8,26,30,219	10,000

15 There are no employees during the period therefore Ind AS 19 "Employee Benefits", is not applicable to the Company.

Reliance Beauty & Personal Care Limited

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

16 Capital Management

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Company manages its capital structure and make adjustment in light of changes in business condition.

17 Financial Instruments**Fair value measurement hierarchy:**

₹ in thousands

Particulars	As at 31st March, 2024			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Cash and cash equivalents	1,256.74	-	-	-
Loans	13,19,820.49	-	-	-
Other Financial Assets	33,723.71	-	-	-
Financial Liabilities				
At Amortised Cost				
Trade Payables	363.45	-	-	-
Other Financial Liabilities	19,588.56	-	-	-

Particulars	As at 31st March, 2023			
	Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3
Financial Assets				
At Amortised Cost				
Cash and cash equivalents	57.90	-	-	-
Other Financial Assets	10.00	-	-	-
Financial Liabilities				
At Amortised Cost				
Trade Payables	61.07	-	-	-

*The above excludes Investment in subsidiary amounting to Rs. 1,23,24,59 valued at cost (Previous period Rs. Nil)

The carrying value of assets and liabilities at amortised cost approximates its fair value.

Foreign Currency Risk

The Company does not have any assets and liabilities that are denominated in any currency other than Indian Rupees, hence, foreign currency risk is not applicable.

Interest Rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings are primarily fixed interest rates.

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company's activities in investments, dealing in derivatives and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk across the Company is actively managed through Letters of Credit, Bank Guarantees, Parent Company Guarantees, advance payments. The Company restricts its fixed income investments in liquid securities carrying high credit rating.

Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date. The Company maintains sufficient cash. The Company uses a range of products to ensure efficient funding from across well-diversified markets. Treasury monitors rolling forecasts of the Company's cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Company's liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses and arranges to either fund the net deficit or invest the net surplus in a range of short-dated, secure and liquid instruments including short-term bank deposits and similar instruments. The portfolio of these investments is diversified to avoid concentration risk in any one instrument or counterparty.

Reliance Beauty & Personal Care Limited

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

18 Related Party Disclosures

As per Ind AS 24, the disclosures of transactions with related parties are given below:

(i) List of related parties with whom transactions have taken place and relationship

Sr. No.	Name of the Related Party	Relationship
1	Reliance Retail Ventures Limited	Holding Company
2	Reliance Industries Limited	
3	Reliance Luxe Beauty Limited (w.e.f. 3 rd November, 2023)	Ultimate Holding Company
4	KIKO Cosmetics Retail Private Limited (w.e.f. 8 th February, 2024)	Wholly owned Subsidiary
		Wholly owned Subsidiary

(ii) Transactions with related parties during the period

Sr. No.	Nature of transactions		₹ in thousands	
			For the year ended 31st March, 2024	28th November, 2022 to 31st March, 2023
1	Issue of Share capital Reliance Retail Ventures Limited	Holding Company	-	100.00
2	Interest received on ICD Reliance Luxe Beauty Limited	Wholly owned Subsidiary	48,681.90	-
3	Investment in Optionally Fully Convertible Debentures KIKO Cosmetics Retail Private Limited	Wholly owned Subsidiary	1,75,000.00	-
4	Optionally Fully Convertible Debentures Issued Reliance Retail Venture Limited	Holding Company	25,30,000.00	-
5	Investment made in equity KIKO Cosmetics Retail Private Limited Reliance Luxe Beauty Limited	Wholly owned Subsidiary Wholly owned Subsidiary	9,73,344.82 84,114.80	
	Balance as at 31st March, 2024			
		Wholly owned Subsidiary	Holding Company	Total
1.	Share Capital	-	100.00	100.00
		-	100.00	100.00
2.	Investment in Optionally Fully Convertible Debentures	1,75,000.00	-	1,75,000.00
		-	-	-
3	Optionally Fully Convertible Debentures Issued	-	25,30,000.00	25,30,000.00
		-	-	-
4	Interest Receivable	33,713.71	-	33,713.71
		-	-	-
5	Net Unsecured Loan given	13,19,820.49	-	13,19,820.49
		-	-	-
6	Investment made in equity	10,57,459.62	-	10,57,459.62
		-	-	-

Figures in *italic* represents previous year's amount.

Reliance Beauty & Personal Care Limited

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

19 Ratios	For the year ended 31st March, 2024	28th November, 2022 to 31st March, 2023	% Change
1 Current Ratio @	1.58	1.16	36%
2 Debt-Equity Ratio	NA	NA	NA
3 Debt Service Coverage ratio	NA	NA	NA
4 Return on Equity Ratio*	2.82%	-917%	-100%
5 Inventory Turnover Ratio	NA	NA	NA
6 Trade Receivables Turnover Ratio	NA	NA	NA
7 Trade Payable Turnover Ratio	1.33	1.48	-10%
8 Net Capital Turnover Ratio	NA	NA	NA
9 Net Profit Ratio	NA	NA	NA
10 Return on Capital Employed !	-1.87%	188%	-101%
11 Return on Investment @@	7.89%	0	100%

@ Current ratio has increased due to increase in other financial assets

* Trade payable turnover ratio has increased due to increase in payables balance & other expenses

* Return on Equity has been increased due to Profit after tax.

! Return on capital employed has increased due to increase in non current investment

@@ Return on investment has increased due to investment in subsidiary.

19.1 Formulae for computation of ratios are as follows:

Sr. No.	Particulars	Formula
1	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
2	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
3	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
4	Return on Equity Ratio	$\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Net Worth}}$
9	Net Profit Ratio %	$\frac{\text{Profit After Tax}}{\text{Revenue from Operations (including GST)}}$
10	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed*}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents & Other Marketable Securities}}$

* Capital Employed includes Equity reduced by Cash & Cash Equivalents.

Reliance Beauty & Personal Care Limited
Notes to the Financial Statements for the year ended 31st March, 2024

20 Other Statutory Information

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- (ii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

21 The figures of the current year are not comparable with those of the previous year being figures from the date of incorporation of the company i.e., 28th November, 2022 to 31st March, 2023.

22 The financial statements were approved for issue by the Board of Directors on 19th April, 2024

Reliance Beauty & Personal Care Limited

As per our Report of even date

For and on behalf of the Board

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W100018

Dinesh Taluja
Director
DIN: 08144541

Varsha A. Fadte
Partner
Membership No. 103999

Sridhar Kothandaraman
Director
DIN: 00012765

Dated : 19th April 2024

Radhika Disale
Director
DIN: 03107045