

Mayuri Kumkum Limited
Financial Statements
2022-23

Independent Auditor's Report

To the Members of Mayuri Kumkum Limited

Report on the Audit of the financial statements

Opinion

We have audited the accompanying financial statements of **Mayuri Kumkum Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other Comprehensive income, its cash flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statement 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 Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information other than the Financial Statements and Auditors' 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 for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, cash flows and the Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The comparative financial information of the Company for the year ended March 31, 2022 included in these Ind AS financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by predecessor auditor whose report for the year ended March 31, 2022 dated August 16, 2022 expressed an unmodified opinion on those financial statements, and have been restated to comply with Ind AS. The adjustments to those financial statements for differences in accounting principles adopted by Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (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 during the year ended March 31, 2023.

- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we 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.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 01, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm's Registration No. 101720W/W100355

Amit Chaturvedi

Partner

Membership Number: 103141

UDIN: 23103141BGXQVK3410

Place: Mumbai

Date: April 19, 2023

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date to the members of **Mayuri Kumkum Limited** for the year ended March 31, 2023.

- i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and Right of Use Assets

(B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) Property, Plant and Equipment of the Company have been physically verified by the Management during the year, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us, the company does not have any immovable properties. Accordingly, reporting requirement of clause (i)(c) of paragraph 3 of the order is not applicable to the company.
- (d) Based on the records examined by us and information and explanation given to us by the Company, Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the reporting requirements of clause (i)(d) of paragraph 3 of the Order is not applicable to the Company.
- (e) Based on the records examined by us and information and explanation given to us , no proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii. (a) According to the information and explanation given to us and records examined by us, the inventories, except for stock held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion the coverage and the procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of inventory lying with third parties, these have been confirmed by them. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) Based on the records examined by us and information and explanations given to us, at any point of time, the Company has not been sanctioned any working capital facility in excess of Rs. 5 crores, in aggregate from banks or financial institutions and hence reporting under clause (ii)(b) of paragraph 3 of the order is not applicable.

- iii. On the basis of examination of records of the company and information and explanation given to us, during the year the Company has not made any investments, granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the reporting requirement of clause (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of paragraph 3 of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, The Company has not directly or indirectly granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Accordingly, the reporting requirement of clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanation given to us, The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, to 76 of the Act and the Rules framed there under to the extent applicable. Accordingly, reporting requirement of clause (v) of paragraph 3 of the order is not applicable to the company.
- vi. In our opinion and according to the information and explanation given to us, The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the products of the Company. Accordingly, reporting requirement of clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- vii. (a) Based on the examination of records and according to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

There were no undisputed amounts payable in respect of these Statutory Dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) Based on the examination of records and according to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- viii. According to information and explanations given to us and the examination of records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly reporting requirement of clause (viii) of paragraph 3 of the order is not applicable to the company.
- ix. (a) Based on the examination of the records of the Company and information and explanation given to us, the company does not have loans or other borrowings from any lender as at the balance sheet date, accordingly the reporting requirement of clause (ix)(a) of paragraph 3 of the Order is not applicable to the Company.

- (b) Based on the examination of the records of the Company and information and explanation given to us, the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
 - (c) Based on the examination of the records of the Company and information and explanation given to us, the company has not obtained any term loans during the year.
 - (d) Based on the examination of the records of the Company and information and explanation given to us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting requirement of clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.
 - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company does not have any subsidiaries, associates or joint ventures. Accordingly, the reporting requirement of clause ix(f) of paragraph 3 the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting requirement of clause x(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) In our opinion and according to the information and explanation given to us, the Company has made preferential allotment of shares during the year of Rs. 29,299.98 Lakhs In compliance with the requirements of section 62 of the Act.
- The company has utilised funds raised by way of preferential allotment of shares for the purposes for which they were raised.
- The company has not raised any funds by issue of securities on private placement basis under section 42 of the Act.
- xi. (a) Based on the audit procedures performed by us and according to the information and explanation given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, no whistle blower complaints have been received by the Company during the year.

- xii. The Company is not a Nidhi Company. Accordingly, the reporting requirement of clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting requirement of clause (xiii) of paragraph 3 of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, based on our examination, internal audit is not applicable to the Company. Accordingly, reporting requirement of clause (xiv)(a),(b) of paragraph 3 of the Order is not applicable to the company.
- xv. According to the information and explanation given to us during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, subsidiary company, associate company or persons connected with such directors. Accordingly, the reporting requirement of clause (xv) of paragraph 3 of the order is not applicable to the company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement of clause (xvi)(a) of paragraph 3 of the Order is not applicable to the Company.
- (b) On the basis of examination of records and according to the information and explanation given to us by the Company, the Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting requirement of clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanation given to us, The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirement of clause (xvi)(c) of paragraph 3 of the Order is not applicable to the Company.
- (d) As represented by the management, 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. Accordingly, the reporting requirement of clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- xvii. Based on the examination of the records, the Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the reporting requirement of clause (xviii) of paragraph 3 of the order is not applicable to the company.

- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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 provisions of Section 135 of the Companies Act is not applicable to the Company and accordingly the reporting requirement of clause (xx)(a),(b) of paragraph 3 of the order is not applicable to the Company.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm's Registration No. 101720W/W100355

Amit Chaturvedi

Partner

Membership Number: 103141

UDIN: 23103141BGXQVK3410

Place: Mumbai

Date: April 19, 2023

Annexure B to Independent Auditors' Report

Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of **Mayuri Kumkum Limited** on the financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of **Mayuri Kumkum Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the 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 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls reference to the financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 the 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 with reference to the financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls 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 March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm's Registration No. 101720W/W100355

Amit Chaturvedi

Partner

Membership Number: 103141

UDIN: 23103141BGXQVK3410

Place: Mumbai

Date: April 19, 2023

Mayuri Kumkum Limited
Balance Sheet as at 31st March, 2023

		₹ in lakhs	
	Notes	As at 31st March, 2023	As at 31st March, 2022
Assets			
Non-Current Assets			
Property, Plant and Equipment	1	2,344.13	447.62
Goodwill		985.00	985.00
Other Intangible Assets	1	18,807.00	18,900.42
Financial Assets			
Investments	2	-	2.41
Other Financial Assets	3	43.12	213.80
Deferred Tax Assets (Net)	14	309.31	-
Other Non- Current Assets	4	62.79	151.18
Total Non-Current Assets		22,551.35	20,700.43
Current Assets			
Inventories	5	2,552.91	1,659.70
Financial Assets			
Investments	6	7,736.87	-
Trade Receivables	7	1,948.02	1,447.46
Cash and Cash Equivalents	8	211.98	422.17
Other Financial Assets	9	24.28	5.86
Other Current Assets	10	273.21	88.26
Total Current Assets		12,747.27	3,623.45
Total Assets		35,298.62	24,323.88
Equity and Liabilities			
Equity			
Equity Share Capital	11	20.41	10.00
Other Equity	12	31,987.90	(6.16)
Total Equity		32,008.31	3.84
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Lease Liabilities		1,543.26	138.74
Provisions	13	22.06	-
Deferred Tax Liabilities (Net)	14	-	520.06
Total Non-Current Liabilities		1,565.32	658.80
Current Liabilities			
Financial Liabilities			
Borrowings	15	-	711.37
Lease Liabilities		218.10	58.44
Trade Payables			
Micro and Small Enterprises	16	228.06	806.80
Other than Micro and Small Enterprises	16	287.12	385.70
Other Financial Liabilities	17	348.77	21,550.12
Other Current Liabilities	18	641.82	148.81
Provisions	19	1.12	-
Total Current Liabilities		1,724.99	23,661.24
Total Liabilities		3,290.31	24,320.04
Total Equity and Liabilities		35,298.62	24,323.88

Significant Accounting Policies

See accompanying notes to the financial statements 1 to 38

Mayuri Kumkum Limited

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm's Registration No.

Amit Chaturvedi

Partner

Membership Number: 103141

For and on behalf of the Board

Mihir Dinesh Jain

Director

(DIN 08973105)

Anil Jain

Director

(DIN 09349865)

Dinesh Jain

Director

(PAN AACPJ4818K)

Gaurav Jain

Director

(DIN 02697278)

Ashwin Khasgiwala

Director

(DIN 00006481)

Nikhil Chakrapani

Director

(DIN 03585055)

Date: 19th April, 2023

Mayuri Kumkum Limited**Statement of Profit and Loss for the year ended 31st March, 2023**

			₹ in lakhs
	Notes	2022-23	2021-22
Income			
Value of Sales		12,643.18	2,855.43
Less: GST Recovered		2,059.40	446.67
Revenue from Operations	20	10,583.78	2,408.76
Other Income	21	327.06	0.33
Total Income		10,910.84	2,409.09
Expenses			
Cost of Materials Consumed	22	5,106.47	1,109.16
Purchases of Stock-in-Trade		9.87	438.55
Changes in Inventories of Finished Goods, Work-in- Progress	23	(172.42)	(604.85)
Employee Benefits Expense	24	1,076.05	150.43
Finance Costs	25	95.34	6.04
Depreciation and Amortisation Expenses	1	301.55	341.89
Other Expenses	26	2,618.86	453.97
Total Expenses		9,035.72	1,895.19
Profit Before Tax		1,875.12	513.90
Tax Expenses:			
Deferred Tax	14	(829.37)	520.06
Profit / (loss) for the year		2,704.49	(6.16)
Other Comprehensive Income (OCI)			
(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		-	-
(iii) Items that will be reclassified to Profit or Loss		-	-
(iv) Income tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)		-	-
Total Comprehensive Income / (Loss) for the year		2,704.49	(6.16)
Earnings per Equity share of face value of ₹ 10 each			
Basic and Diluted (in ₹)	27	1,679.68	(6.16)

Significant Accounting Policies

See accompanying notes to the financial statements

1 to 38

Mayuri Kumkum Limited

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm's Registration No.

Amit Chaturvedi

Partner

Membership Number: 103141

For and on behalf of the Board

Mihir Dinesh Jain

Director

(DIN 08973105)

Anil Jain

Director

(DIN 09349865)

Dinesh Jain

Director

(PAN AACPJ4818K)

Gaurav Jain

Director

(DIN 02697278)

Ashwin Khasgiwala

Director

(DIN 00006481)

Nikhil Chakrapani

Director

(DIN 03585055)

Date: 19th April, 2023

Mayuri Kumkum Limited
Statement of Changes in Equity for the year ended 31st March, 2023

₹ in lakhs

A Equity Share Capital

Balance as at 1st April, 2021	Changes during the year 2021-22	Balance as at 31st March, 2022	Changes during the year 2022-23	Balance as at 31st March, 2023
-	10.00	10.00	10.41	20.41

B Other Equity

₹ in lakhs

Particulars	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April, 2022	-	(6.16)	-	(6.16)
Add : On issue of Equity Shares	29,289.57	-	-	29,289.57
Add: Total Comprehensive Income for the Year	-	2,704.49	-	2,704.49
Balance as at 31st March, 2023	29,289.57	2,698.33	-	31,987.90
Balance as at 1st April, 2021	-	-	-	-
Add: Total Comprehensive Income for the Year	-	(6.16)	-	(6.16)
Balance as at 31st March, 2022	-	(6.16)	-	(6.16)

Mayuri Kumkum Limited

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(DIN 03585055)

Date: 19th April, 2023

Mayuri Kumkum Limited

Cash Flow Statement for the year ended 31st March, 2023

	2022-23	₹ in lakhs 2021-22
A: Cash Flow From Operating Activities		
Net Profit before Tax as per Statement of Profit and Loss	1,875.12	513.90
Adjusted for:		
Depreciation and Amortisation Expense	301.55	341.89
Net Gain on Financial Assets	(283.89)	-
Finance Costs	95.34	6.04
Effect of Exchange Rate Change	(30.92)	(0.12)
Interest Income	(12.25)	(0.21)
Subtotal	69.83	347.60
Operating Profit before Working Capital Changes	1,944.95	861.50
Adjusted for:		
Trade and Other Receivables	(497.58)	(1,841.98)
Inventories	(893.21)	(1,659.70)
Trade and Other Payables	(154.74)	2,421.90
Subtotal	(1,545.53)	(1,079.78)
Cash Generated from Operations	399.42	(218.28)
Taxes refund / (Paid) (Net)	74.15	(75.03)
Net Cash flow generated from Operating Activities	473.57	(293.31)
B: Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment and Intangible Assets	(21,818.03)	-
Purchase of Financial Assets	(9,078.00)	(2.41)
Proceeds from Sale of Financial Assets	1,627.42	-
Interest Income	5.88	-
Net Cash Flow used in Investing Activities	(29,262.73)	(2.41)
C: Cash Flow From Financing Activities		
Proceeds from Issue of Equity share (including securities premium)	29,299.98	10.00
Proceeds from Borrowings - Non-Current (including current maturities)	-	711.37
Repayment of Borrowings - Non-Current (including current maturities)	(711.37)	-
Interest Paid	(9.64)	(3.48)
Net Cash Flow Generated from Financing Activities	28,578.97	717.89
Net (Decrease)/ Increase in Cash and Cash Equivalents	(210.19)	422.17
Opening Balance of Cash and Cash Equivalents	422.17	-
Closing Balance of Cash and Cash Equivalents (refer note 8)	211.98	422.17

Mayuri Kumkum Limited

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm's Registration No.

Amit Chaturvedi

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(DIN 00006481)

Nikhil Chakrapani

Director

(DIN 03585055)

Date: 19th April, 2023

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023****A. CORPORATE INFORMATION**

Mayuri Kumkum Limited “(the Company)” is a Limited Company incorporated in India on 14th October 2021. The company’s immediate Holding company is Reliance Retail Ventures Limited and ultimate holding company is Reliance Industries Limited. The Company is engaged in the business of manufacture and retailing of beauty products.

The registered office of the Company is located at Building-3, Sr No-36, H No-12 Gurukrupa Developers Ind. Est. Vasai-East, Palghar Thane 401202.

B. SIGNIFICANT ACCOUNTING POLICIES**B.1 BASIS OF PREPARATION AND PRESENTATION****i. Compliance with Ind AS**

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

For all periods upto and including the year ended 31st March, 2022, the Company has prepared its financial statements in accordance with the requirement of Indian Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006 and considered as “Previous GAAP”.

These financial statements are the Company’s first Ind AS financial statements. The date of transition to the Ind -AS is 1st April, 2021.

ii. Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities that are measured at fair value at the end of each reporting period.

Company’s financial statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Lakhs (₹,00,000) upto 2 decimal places except when otherwise stated.

B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Current versus 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 realized or intended to be sold or consumed in normal operating cycle

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- cash or cash equivalent 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 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

All other liabilities are classified as non current.

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

b) Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Depreciation on property, plant and equipment is provided using Straight line method and based on useful life of assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortized over the lease period; on assets acquired under finance lease depreciation is provided over the lease term.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a 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.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment as at the incorporation date, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

c) Leases

The Company, as a lessee, recognizes a right of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

d) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization/depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under Intangible Assets Under Development.

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 recognised in the Statement of Profit and Loss when the asset is derecognized.

Transition to Ind AS:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognized as at Opening date, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets

e) Cash and Cash Equivalent

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

f) Finance Costs

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

g) Inventories

Inventories are valued at the lower of cost (on FIFO Basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

h) Impairment of non- financial assets- property, plant and equipment and intangible assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

belongs.

An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

i) 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.

j) Employee Benefit Expenses**i. Short term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

ii. Post – Employment Benefits**Defined Contribution Plans**

The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/ superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The liability in respect of gratuity and other postemployment benefits is calculated using the Projected Unit Credit Method and spread over the

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

period during which the benefit is expected to be derived from employees' services.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

k) Tax Expenses

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

a. Current tax

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

b. Deferred tax

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

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized

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 realized, 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.

l) Foreign currency translation and translation

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or Statement of Profit and Loss are also recognized in OCI or Statement of Profit and Loss, respectively).

m) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangement, because it typically controls the goods or services before transferring them to the customer.

Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally the credit period does not exceed 90 days for sale of goods or services as the case may be.

In case of discounts, rebates, credits, price incentives or similar terms, consideration are determined based on its expected value, which is assessed at each reporting period.

Contract balances**Trade Receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Mayuri Kumkum Limited
Notes to the Financial Statements for the year ended 31st March, 2023

Interest Income

Interest income from a financial asset is recognised using effective interest rate method.

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established

n) 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 or 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 carried 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 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 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.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. 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 trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

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 initially recognized at fair value and in case of loans, 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.

o) 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 adjusted for bonus element in equity share. 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.

p) Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

C. CRITICAL ACCOUNTING JUDGMENTS 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.

a. Depreciation/amortization and useful life of Property, Plant and Equipments, Intangible Assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023****b. Recoverability of trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

c. Impairment of Financial and Non 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.

In case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d. Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 32 of financial statements.

e. Leases

The Company evaluated if an arrangement qualifies to be a lease as per requirements of Ind AS 116. Identification of lease requires significant judgement. Large portion of the Company's leases are cancellable by both lessor and lessee or are arrangements which qualify as variable leases and hence are not considered for recognition of Right of Use Asset and lease liabilities. There are few lease arrangements which are cancellable only at the option of the lessee but have not been considered for recognition of Right of Use Assets and lease liabilities on grounds of materiality and exercisability.

f. Discounting rate

The Company has considered Weighted Average Cost of Capital at 8% per annum as at 31st March, 2022 for measuring deposits, being financial assets and financial liabilities, at amortised cost.

D. FIRST TIME ADOPTION OF IND AS

The Company is incorporated on 14th October 2021. The Company has adopted Ind AS with effect from 1st April 2021 with comparatives being restated. Hence, the Company has prepared the balance sheet as per Ind AS as of 31st March, 2022 by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below:

Optional exemption:

- i. **Deemed cost:** The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as on transition date measured as per the previous GAAP and use that carrying value as deemed cost. Until previous year company has charged depreciation as per WDV method and charged the depreciation as per SLM method under Ind AS and also reassess the certain useful life of assets which has been applied consistent in the current year and previous year.

Mandatory exemptions:

- ii. **Derecognition of financial assets and financial liabilities:** The Company has opted to apply the exemption available under Ind AS 101 to apply the derecognition criteria of Ind AS 109 prospectively for the transactions occurring on or after the date of Ind AS.
- iii. **Classification and measurement of financial assets:** The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist on the date of transition to Ind AS.

E. STANDARDS ISSUED BUT NOT EFFECTIVE

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

On 31st March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from 1st April, 2023.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 102 – Share - based Payment
- iii. Ind AS 103 – Business Combination
- iv. Ind AS 107 – Financial Instruments Disclosure
- v. Ind AS 109 – Financial Instrument
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income taxes
- x. Ind AS 34 – Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the company's financial statements.

Mayuri Kumkum Limited
Notes to the Financial Statements for the year ended 31st March, 2023

1 Property, Plant and Equipment and Intangible Assets

₹ in lakhs

Description	Gross block				Depreciation/ amortisation				Net block	
	As at 1st April, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions/ Adjustments	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Property, Plant and Equipment										
Own Assets:										
Plant and Machinery	217.35	321.50	3.00	535.85	2.29	23.43	-	25.72	510.13	215.06
Equipment	5.98	24.20	-	30.18	0.16	5.74	-	5.90	24.28	5.82
Furniture and Fixtures	4.82	70.38	-	75.20	0.05	4.25	-	4.30	70.90	4.77
Vehicles	27.18	2.25	-	29.43	0.55	3.49	-	4.04	25.39	26.63
Sub-Total	255.33	418.33	3.00	670.66	3.05	36.91	-	39.96	630.70	252.28
Right-of-Use Assets										
Premises	205.80	1,686.61	-	1,892.41	10.46	168.52	-	178.98	1,713.43	195.34
Sub-Total	205.80	1,686.61	-	1,892.41	10.46	168.52	-	178.98	1,713.43	195.34
Total (A)	461.13	2,104.94	3.00	2,563.07	13.51	205.43	-	218.94	2,344.13	447.62
Other Intangible Assets										
Brands and Trademarks	18,268.80	-	-	18,268.80	328.12	-	-	328.12	17,940.68	17,940.68
Others	960.00	2.70	-	962.70	0.26	96.12	-	96.38	866.32	959.74
Total (B)	19,228.80	2.70	-	19,231.50	328.38	96.12	-	424.50	18,807.00	18,900.42
Total (A+B)	19,689.93	2,107.64	3.00	21,794.57	341.89	301.55	-	643.44	21,151.13	19,348.04
Previous Year	-	19,689.93	-	19,689.93	-	341.89	-	341.89	19,348.04	-

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

		₹ in Lakhs	
		As at	As at
		31st March 2023	31st March, 2022
		Units	Amount
		Units	Amount
2 Investments-Non Current			
A Investments measured at Amortised Cost			
Bassein Catholic Co-operative Bank Limited		-	-
			9,657.00
			2.41
Total of Investments measured at Amortised cost			-
			2.41
2.1 Category-wise Non current investment			
		As at	As at
		31st March 2023	31st March, 2022
Financial assets measured at Amortised Cost		-	2.41
Total Non current investment		-	2.41
Aggregate Value of Unquoted Investments		-	2.41

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

	As at	₹ in lakhs As at
	31st March, 2023	31st March, 2022
3 Others Financial Assets - Non Current	43.12	213.80
Deposits		
Total	43.12	213.80

	As at	₹ in lakhs As at
	31st March, 2023	31st March, 2022
4 Other Non- Current Assets	3.88	75.03
(Unsecured and Considered Good)		
Advance Income Tax (Net of Provision)		
Deposits	1.05	73.08
Other advances	57.86	3.07
Total	62.79	151.18

	As at	₹ in lakhs As at
	31st March, 2023	31st March, 2022
4.1 Advance Income Tax (Net of Provision)	75.03	-
At start of year		
Charge for the year	-	-
Tax (refund) / paid during the year (net)	(71.15)	75.03
At end of year	3.88	75.03

4.2 Income Tax recognised in the Statement of Profit or Loss

Current Tax	-	-
Deferred Tax	(829.37)	520.06
Total Income Tax Expense	(829.37)	520.06

The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31st March, 2023	Year ended 31st March, 2022
Profit before Tax	1,875.12	513.90
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	471.93	129.34
Tax Effect of :		
Expenses disallowed	16.02	5.54
Expenses allowed	(1,078.22)	(525.60)
Losses carry forward	590.28	390.74
Current Tax Provision (A)	-	-
Incremental Deferred Tax (Asset) / Liability on account of Property Plant and Equipments and Intangible Assets	(298.93)	525.60
Incremental Deferred Tax (Asset) / Liability on account of Financial Assets and Other items	(530.44)	(5.54)
Deferred Tax Provision (B)	(829.37)	520.06
Tax Expenses recognised in Statement of Profit and Loss (A+B)	(829.37)	520.06
Effective Tax Rate	44.23%	101.20%

	As at	₹ in lakhs As at
	31st March, 2023	31st March, 2022
5 Inventories	1,775.64	1,054.85
(Valued at lower of cost or net realisable value)		
Raw Materials & Packing Materials *	266.69	115.54
Work-in-Progress	510.58	489.30
Finished Goods *	2,552.91	1,659.70
Total	2,552.91	1,659.70

* Includes Stock in Transit

5.1 In the previous year, inventories have been offered as security against the working capital facilities from bank.

Mayuri Kumkum Limited
Notes to the Financial Statements for the year ended 31st March, 2023

6 Investments - Current	As at 31st March 2023		As at 31st March, 2022	
	Units	Amount	Units	Amount
Investments Measured at Fair Value Through Profit and Loss (FVTPL)				
Investment in Mutual Funds - Unquoted				
HDFC Liquid DP Growth Option	174,915.70	7,736.87	-	-
Total	174,915.70	7,736.87	-	-
Aggregate amount of Unquoted Investments		7,736.87		-
6.1 Category-wise Current investment				
Financial Assets Measured at Fair Value Through Profit and Loss (FVTPL)	As at 31st March 2023		As at 31st March, 2022	
	174,915.70	7,736.87	-	-

7 Trade Receivables
(Unsecured and Considered Good)

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables	1,948.02	1,447.46
Total	1,948.02	1,447.46

7.1 Trade Receivables ageing as at 31st March,2023

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not due	< 6 Months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
As at 31st March, 2023							
(i) Undisputed Trade receivables considered good	1,816.80	122.74	0.89	6.28	1.31	-	1,948.02
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	1,816.80	122.74	0.89	6.28	1.31	-	1,948.02

Trade Receivables ageing as at 31st March,2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not due	< 6 Months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
As at 31st March, 2022							
(i) Undisputed Trade receivables considered good	-	1,447.46	-	-	-	-	1,447.46
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	-	1,447.46	-	-	-	-	1,447.46

7.2 In the Previous Year Trade Receivables have been offered as security against the working capital facilities from bank

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

		₹ in lakhs	
8	Cash and Cash Equivalents	As at	As at
		31st March, 2023	31st March, 2022
	Cash on Hand	2.42	7.50
	Balances with banks (*)(**)	209.56	414.67
	Cash and Cash Equivalent as per Balance Sheet	211.98	422.17
	Cash and Cash Equivalent as per Cash Flow Statement	211.98	422.17

* Includes deposits ₹ 10 lakhs (previous year - ₹ 410.23 lakhs) with maturity period of more than 12 months. Out of ₹ 10 lakhs (previous year 410.23 lakhs), Nil (previous year ₹ 10 lakhs) lien against credit card facilities.

** Includes deposits NIL (previous year - ₹ 50.24 lakhs) lien against term loan.

- 8.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time with out prior notice or penalty on the principal.

		₹ in lakhs	
9	Other Financial Assets – Current (Unsecured and Considered Good)	As at	As at
		31st March, 2023	31st March, 2022
	Interest accrued on Fixed deposits	0.52	-
	Deposits	23.76	5.86
	Total	24.28	5.86

		₹ in lakhs	
10	Other Current Assets (Unsecured and Considered Good)	As at	As at
		31st March, 2023	31st March, 2022
	Balance with Customs, Central Excise, GST and State Authorities	164.99	-
	Others ⁽ⁱ⁾	108.22	88.26
	Total	273.21	88.26

⁽ⁱ⁾ Includes advances to vendors , employees and prepaid expenses

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

		₹ in lakhs	
11	Equity Share Capital	As at	As at
		31st March, 2023	31st March, 2022
	Authorised:		
	10,00,000 (previous year 10,00,000) Equity Shares of ₹ 10/- Each	100.00	100.00
	Issued, Subscribed and Fully Paid-Up:		
	2,04,063 (previous year 1,00,000) Equity Shares of ₹ 10/- each	20.41	10.00
	Total	20.41	10.00

11.1 Out of the above, 1,04,059 (previous year Nil) equity shares of ₹ 10 each fully paid-up are held by Reliance Retail Ventures Limited the Holding Company along with its nominees.

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

Name of the Shareholder	As at 31st March, 2023	% held	As at 31st March, 2022	% held
	No. of Shares		No. of Shares	
Reliance Retail Ventures Limited	104,059	51.00	-	-
Dinesh Bastimalji Jain	99,300	48.66	99,000	99.00

11.3 Shareholding of Promoter

As at 31st March, 2023

Sr no	Class of Equity share	Promoter's name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Fully paid-up equity shares of ₹10 each	Reliance Retail Ventures Limited *	-	104,063	104,063	51.00	100.00
2	Fully paid-up equity shares of ₹10 each	Dinesh Bastimalji Jain	99,000	300	99,300	48.66	0.30
3	Fully paid-up equity shares of ₹10 each	Mihir Dinesh Jain	200	500	700	0.34	250.00
4	Fully paid-up equity shares of ₹10 each	Sharmila Dinesh Jain	200	(200)	-	-	(100.00)

* Reliance Retail Ventures Limited is sole promoter of the company with effect from 30th August, 2022.

As at 31st March, 2022

Sr no	Class of Equity share	Promoter's name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Fully paid-up equity shares of ₹10 each	Dinesh Bastimalji Jain	-	99,000	99,000	99.00	100.00
2	Fully paid-up equity shares of ₹10 each	Sharmila Dinesh Jain	-	200	200	0.20	100.00
3	Fully paid-up equity shares of ₹10 each	Mihir Dinesh Jain	-	200	200	0.20	100.00

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

Particulars	As at 31st March, 2023	As at 31st March, 2022
	No. of shares	No. of shares
Equity Shares outstanding at the beginning of the year	100,000	-
Add: Equity Shares issued during the year	104,063	100,000
Equity Shares outstanding at the end of the year	204,063	100,000

11.5 Rights, preferences and restrictions attached to Shares:

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.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

		₹ in lakhs	
12	Other Equity	As at	As at
		31st March, 2023	31st March, 2022
	Securities Premium		
	As per last Balance Sheet	-	-
	Add: On issue of equity share	29,289.57	-
		<u>29,289.57</u>	<u>-</u>
	Retained Earnings		
	As per last Balance Sheet	(6.16)	-
	Add: Profit / (loss) for the year	2,704.49	(6.16)
		<u>2,698.33</u>	<u>(6.16)</u>
	Total	<u>31,987.90</u>	<u>(6.16)</u>

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

13 Provisions - Non Current	₹ in lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Provision for Employee Benefits (Refer Note 24.1) ⁽ⁱ⁾	22.06	-
Total	22.06	-

⁽ⁱ⁾ The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

14 Deferred Tax Assets / (Liabilities)	₹ in lakhs	
	As at 31st March, 2023	As at 31st March 2022
The movement on the deferred tax account is as follows:		
At the start of the year	(520.06)	-
(Charge) / Credit to Statement of Profit and Loss	829.37	(520.06)
At the end of the year	309.31	(520.06)

Component of Deferred tax Assets /(Liabilities)	₹ in lakhs			
	As at 31st March 2022	(Charge) / Credit to Statement of Profit and Loss	(Charge) / Credit to Other comprehensive Income	As at 31st March 2023
Deferred tax liabilities (Net) in relation to:				
Property, Plant and Equipment and Intangible Asset	(525.60)	298.93	-	(226.67)
Financial Assets	-	(69.67)	-	(69.67)
Carried Forward Losses	-	590.33	-	590.33
Disallowance under the Income Tax Act, 1961	5.54	9.78	-	15.32
Total	(520.06)	829.37	-	309.31

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

15 Borrowings	₹ in lakhs			
	As at		As at	
	31st March 2023		31st March, 2022	
	Non Current	Current	Non- Current	Current
Secured - At amortised cost				
Term Loans from Banks ⁽ⁱ⁾⁽ⁱⁱ⁾⁽ⁱⁱⁱ⁾	-	-	-	518.09
Unsecured - At amortised cost				
Loan from Related Party*	-	-	-	193.28
Total	-	-	-	711.37

(i) NIL (previous year - ₹ 409.96 lakhs) secured against Stock and Book debts of the company, as primary security. Further secured against personal guarantee of Directors and immovable properties owned by Kanchan Jain Flat No 103,1st Floor, Omkar Niwas CHS, Dadar and Immovable properties owned by Group Company Midisha Estate Pvt. Ltd. (earlier known as Insight Cosmetics Pvt. Ltd.) situated Plot no. L-43, MIDC, Boisar and Building No.3, Vasai (east), as collateral securities.

(ii) NIL (previous year - ₹ 49.95 lakhs) Secured against Bank Deposit of ₹ 50 lakhs, Personal Guarantee of Promoters of the Company and second charge on primary and secondary securities with HDFC Bank.

(iii) NIL (previous year - ₹ 57.84 lakhs) Secured against hypothecation of machinery, as primary security. Further secured against immovable properties owned by Promoters - Dinesh Bastimalji Jain and Sharmila Dinesh Jain Gala No. 11,12,13,14 Sheetal Indl. Estate no.9, Vasai, as collateral securities.

* Unsecured Loan from Directors and Shareholders are without stipulation for repayment and interest.

The Company has satisfied all the covenants prescribed in terms of borrowings.

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

16 Trade payable due to	₹ in lakhs	
	As at 31st March, 2023	As at 31st March, 2022
Micro Small and Medium Enterprises	228.06	806.80
Other than Micro Small and Medium Enterprises	287.12	385.70
Total	515.18	1,192.50

16.1 There are no overdue amounts outstanding to Micro and Small Enterprises as at 31st March, 2023.

16.2 Trade Payable Ageing as at 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2023:						
(i) MSME	227.79	0.27	-	-	-	228.06
(ii) Others	258.44	28.58	0.10	-	-	287.12
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	486.23	28.85	0.10	-	-	515.18

Trade Payable Ageing as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2022:						
(i) MSME	-	806.80	-	-	-	806.80
(ii) Others	-	385.70	-	-	-	385.70
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	1,192.50	-	-	-	1,192.50

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

		₹ in lakhs
17 Other Financial Liabilities-Current	As at	As at
	31st March, 2023	31st March, 2022
Creditors for Capital Expenditure	348.77	21,550.12
Total	348.77	21,550.12

		₹ in lakhs
18 Other Current Liabilities	As at	As at
	31st March, 2023	31st March, 2022
Advance from Customers	6.67	-
Other Payables*	635.15	148.81
Total	641.82	148.81

*Includes statutory dues

		₹ in lakhs
19 Provisions - Current	As at	As at
	31st March, 2023	31st March, 2022
Provision for Employee Benefits (Refer Note 24.1) ⁽ⁱ⁾	1.12	-
Total	1.12	-

⁽ⁱ⁾ The provision for employee benefit includes gratuity, annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

		₹ in lakhs	
		2022-23	2021-22
20 Revenue from Operations			
Value of Sales		10,583.78	2,408.76
Total *		10,583.78	2,408.76
* Net of GST			
		₹ in lakhs	
		2022-23	2021-22
21 Other Income			
Interest Income on			
- Bank Deposits		5.88	-
- Income Tax refund		3.00	-
- Lease Deposit		3.37	0.21
		12.25	0.21
Gain / (Loss) on Financial Assets			
Realised Gain / (Loss)		7.09	-
Unrealised Gain / (Loss)		276.80	-
		283.89	-
Foreign Exchange Gain / (Loss) (Net)		30.92	0.12
Total		327.06	0.33
		₹ in lakhs	
		2022-23	2021-22
22 Cost of Material Consumed			
Inventories of Raw material and packing material at the beginning of the		1,054.85	-
Add: Purchases (incl Job work charges)		5,827.26	2,164.01
Inventories of Raw material and packing material at the end of the year		1,775.64	1,054.85
Total		5,106.47	1,109.16
		₹ in lakhs	
		2022-23	2021-22
23 Changes in Inventories of Finished Goods and Work-in- Progress			
Inventories (at close)			
Work in Progress		266.69	115.55
Finished Goods		510.58	489.30
		777.27	604.85
Inventories (at commencement)			
Work in Progress		115.55	-
Finished Goods		489.30	-
		604.85	-
Total		(172.42)	(604.85)

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

		₹ in lakhs
24 Employee Benefits Expense	2022-23	2021-22
Salaries and Wages	943.93	124.63
Contribution to Provident and Other Funds	45.63	0.33
Staff Welfare Expenses	86.49	25.47
Total	1,076.05	150.43

24 As per Indian Accounting Standard 19 "Employee benefits", the disclosures as defined are given below :

Defined Contribution Plan

₹ in lakhs

Contribution to defined contribution plan, recognised as expenses for the year is as under:

Particulars	2022-23	2021-22
Employer's Contribution to Provident Fund	8.20	0.33

Defined Benefit Plans

The company operates post retirement plans as follows:

I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

₹ in lakhs

	Gratuity (unfunded)	
Particulars	2022-23	2021-22
Defined Benefit Obligation at beginning of the year	-	-
Current Service Cost	5.56	-
Past Service Cost	21.14	-
Transfer In/(Out)	-6.99	-
Defined Benefit Obligation at year end	19.71	-

II. Reconciliation of Fair Value of Assets and Obligations

₹ in lakhs

	Gratuity (unfunded)	
Particulars	2022-23	2021-22
Present Value of Obligation	19.71	-
Amount recognised in Balance Sheet	(19.71)	-

III. Expenses recognised during the year

₹ in lakhs

	Gratuity (unfunded)	
Particulars	2022-23	2021-22
In Income Statement		
Current Service Cost	5.56	-
Interest Cost	-	-
Net Benefit expense	5.56	-
In Other Comprehensive income		
Actuarial (Gain)/ Loss	-	-
Net (Income)/ Expense for the year	-	-
Recognised in OCI		

IV. Actuarial Assumptions**Gratuity (unfunded)**

Particulars	2022-23
Mortality Table (IALM)	2012-14
	(Ultimate)
Rate of Employee turnover	3.00%
Discount Rate (per annum)	7.60%
Rate of Escalation in Salary (per annum)	6.00%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuary.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

IV The expected contributions for Defined Benefit Plan for the next financial year will be nil.

V Sensitivity Analysis

Significant Actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary, increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes based on the assumption occurring at the end of reporting period, while holding all other assumptions constant. The result of Sensivity analysis is given below:

Particulars	₹ in lakhs	
	As at 31st March 2023	
	Decrease	Increase
Change in discounting rate (delta effect of +/- 0.5%)	1.78	(1.61)
Change in rate of salary increase (delta effect of +/- 0.5%)	(1.64)	1.79
Change in rate of employee turnover (delta effect of +/- 0.5%)	(0.30)	0.27
Mortality rate (+/- 0.5% of mortality rate)	(0.01)	0.01

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023**

		₹ in lakhs
	2022-23	2021-22
25 Finance Costs		
Interest expenses	9.64	3.48
Interest on lease liabilities	85.70	2.56
Total	95.34	6.04

		₹ in lakhs
	2022-23	2021-22
26 Other Expenses		
Selling and Distribution Expenses		
Sales Promotion and Advertisement Expenses	886.34	71.75
Brokerage and Commission	475.68	81.54
Warehousing and Distribution Expenses	306.46	52.83
	1,668.48	206.12
Establishment Expenses		
Machinery Repairs	29.68	4.82
Building Repairs and Maintenance	10.76	0.54
Other Repairs	90.09	2.87
Rent including Lease Rentals	71.59	55.82
Insurance	4.43	0.01
Rates and Taxes	125.90	23.85
Travelling and Conveyance Expenses	187.13	16.34
Payment to Auditors (Note 26.1)	6.00	2.65
Professional Fees	268.72	68.52
Electricity Expenses	50.58	6.53
Charity and Donation	0.89	1.20
General Expenses	104.61	64.70
Total	2,618.86	453.97

		₹ in lakhs
	2022-23	2021-22
26.1 Payment to Auditors as:		
(a) Statutory Audit Fees	4.75	1.25
(b) Tax Audit Fees	1.25	-
(c) Other services (including certification)	-	1.40
	6.00	2.65

27 Earnings Per Share (EPS)	2022-23	2021-22
Face Value per Equity Share (₹)	10	10
Basic and Diluted Earnings per Share (₹)	1,679.68	(6.16)
Net Profit as per Statement of Profit and Loss attributable to Equity shareholders (₹ in lakhs)	2,704.49	(6.16)
Weighted average number of equity shares used as denominator for calculating basic and diluted EPS	161,012	100,000

28 Segment Reporting

The company is mainly engaged in the business of manufacturing and retailing of beauty products adhering to Indian customers. Accordingly, the Company has only one identifiable segment reportable under IND AS 108 "Operating Segment".

Board of directors (Chief Operation decision maker as defined in IND AS 108 "Operating Segment") monitors the operating results of the entities business for the purpose of making decisions about resource allocation and performance assessment.

Information about major customers

Revenue includes sales of ₹ 1,427.72 lakhs (previous year : NIL) and sales of ₹ 1,745.30 lakhs (previous year ₹ 640.91 lakhs) which arose from sale to FSN E-Commerce Ventures Limited and CSD respectively. No other single customer contributed 10% or more to the company's revenue for FY 2022-23 and FY 2021-22.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023****29 Related Party Disclosures :**

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

Sr.	Name of the Related Party	Relationship
1	Reliance Industries Limited	} Ultimate Holding Company (W.e.f 29th August ,2022)
2	Reliance Retail Ventures Limited	} Holding Company (W.e.f 30th August ,2022)
3	Reliance Retail Limited	} Fellow Subsidiary (W.e.f 30th August ,2022)
4	Reliance Jio Infocomm Limited	} Fellow Subsidiary (W.e.f 30th August ,2022)
5	Dinesh Jain	} Key Managerial Personnel
6	Mihir Jain	} Key Managerial Personnel
7	Anil Jain	} Key Managerial Personnel
8	Kanchan Bastimalji Jain	} Key Managerial Personnel upto 30th August, 2022
9	Lata Jain	} Relative of Key Managerial Personnel
10	VOV International (Prop Sharmila Jain)	} Relative of Key Managerial Personnel
11	Sharmila Dinesh Jain	} Relative of Key Managerial Personnel
12	Midisha Estate Private Limited (Formally known as Insight Cosmetics Private Limited)	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence
13	Daily Care Consumer Private Limited	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence
14	Mayuri Kumkum (Partnership Firm)	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence
15	VOV International Analytics	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence
16	MKUP Matrix	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence
17	Matrix Exterprise	} Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence

* The above entities includes related parties where relationship existed for part of the year / previous year

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

(ii) Transactions during the year with related parties:

(₹ in Lakhs)

SNo.	Nature of Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	Total
1	Purchase of Traded Goods & Other Material/Services	13.39	-	-	-	38.30	52.65	104.34
		-	-	-	-	162.06	618.80	780.86
2	Sale of Traded Goods & Other Material	-	-	42.29	-	-	161.45	203.74
		-	-	-	-	-	480.02	480.02
3	Equity Share Capital Issued #	-	29,299.97	-	-	-	-	29,299.97
		-	-	-	9.94	-	-	9.94
4	Loan Taken	-	-	-	66.23	70.60	319.04	455.87
		-	-	-	193.28	-	-	193.28
5	Loan Repaid	-	-	-	259.51	70.60	319.04	649.15
		-	-	-	-	-	-	-
6	Deposit given	-	-	-	0.75	-	45.00	45.75
		-	-	-	-	-	272.98	272.98
7	Deposit repaid	-	-	-	-	-	272.98	272.98
		-	-	-	-	-	-	-
8	Professional Fees Paid	-	-	-	11.84	6.38	-	18.22
		-	-	-	10.16	2.55	2.64	15.35
9	Business Purchase as Slump Sale	-	-	-	-	-	-	-
		-	-	-	-	-	21,800.00	21,800.00
10	Rent Paid	-	-	-	6.90	-	139.87	146.77
		-	-	-	2.30	-	50.00	52.30
11	General Expenses	-	-	-	0.29	-	4.94	5.23
		-	-	-	-	-	-	-
12	Remuneration to Key Managerial Personnel	-	-	-	152.11	-	-	152.11
		-	-	-	8.52	-	-	8.52
13	Guarantee Fee Payment	-	-	-	-	-	3.33	3.33
		-	-	-	-	-	1.33	1.33
14	Royalty Payment	-	-	-	-	-	-	-
		-	-	-	0.23	-	-	0.23
15	Registered Trademark Purchase	-	-	-	-	-	-	-
		-	-	-	100.00	-	-	100.00
16	Property, Plant & Equipment Purchased	-	-	-	-	-	-	-
		-	-	-	-	-	0.90	0.90

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

SNo.	Nature of Transactions (Excluding reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Relative of Key Managerial Personnel	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	Total
Balance as on 31st March, 2023 (Excluding reimbursements)								
13	Equity Shares #	-	29,299.97	-	10.00	-	-	29,309.97
		-	-	-	9.92	0.02	-	9.94
14	Trade Receivables	-	-	13.54	-	-	-	13.54
		-	-	-	-	-	-	-
15	Deposits receivable	-	-	-	0.75	-	45.00	45.75
		-	-	-	-	-	272.98	272.98
16	Trade Payables	-	-	-	0.68	-	9.45	10.13
		-	-	-	71.94	207.95	59.14	339.03
17	Other Payable	-	-	-	-	-	348.77	348.77
		-	-	-	-	-	21,550.12	21,550.12

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

Including Securities Premium.

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

(iii) Disclosure in respect of related party transactions during the year:

Disclosures in respect of related party transactions during the year.

		2022-23	₹ in lakhs 2021-22	
1	<u>Purchase of material/ Stores & Spares</u>			
	Reliance Industries Limited	Ultimate Holding Company	13.39	-
	VOV International (Prop Sharmila Jain)	Relative of Key Managerial Personnel	38.30	162.06
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	9.87	618.80
	Daily Care Consumer Private Limited	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	42.79	-
2	<u>Sale of Goods/ Materials/ Consumables</u>			
	Reliance Retail Limited	Fellow Subsidiaries	42.29	-
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	63.64	480.02
	Daily Care Consumer Private Limited	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	97.81	-
3	<u>Equity share Capital issued #</u>			
	Reliance Retail Ventures Limited	Holding Company	29,299.97	-
	Dinesh Bastimalji Jain	Key Managerial Personnel	-	9.90
	Mihir Dinesh Jain	Key Managerial Personnel	-	0.02
	Sharmila Dinesh Jain	Relative of Key Managerial Personnel	-	0.02
4	<u>Loan Taken</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	63.75	191.44
	Kanchan Bastimalji Jain	Key Managerial Personnel	-	1.83
	Anil Hitendra Jain	Key Managerial Personnel	2.48	0.01
	VOV International (Prop Sharmila Jain)	Relative of Key Managerial Personnel	70.60	-
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	319.04	-
5	<u>Loan Repaid</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	255.19	-
	Kanchan Bastimalji Jain	Key Managerial Personnel	1.83	-
	Anil Hitendra Jain	Key Managerial Personnel	2.49	-
	VOV International (Prop Sharmila Jain)	Relative of Key Managerial Personnel	70.60	-
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	319.04	-

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

6	<u>Deposits given</u>			
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	45.00	272.98
	Dinesh Bastimalji Jain	Key Managerial Personnel	0.75	-
7	<u>Deposits Repaid</u>			
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	272.98	-
8	<u>Professional Fees</u>			
	Mihir Dinesh Jain	Key Managerial Personnel	-	7.00
	Anil Hitendra Jain	Key Managerial Personnel	11.84	3.16
	Lata Anil Jain	Relative of Key Managerial Personnel	6.38	2.55
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	2.64
9	<u>Business Purchase as Slump Sale</u>			
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	21,800.00
			2022-23	₹ in lakhs 2021-22
10	<u>Rent Paid</u>			
	Kanchan Bastimalji Jain	Key Managerial Personnel	1.65	1.10
	Dinesh Bastimalji Jain	Key Managerial Personnel	5.25	1.20
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	139.87	50.00
11	<u>General Expenses</u>			
	Reliance Jio Infocomm Limited	Fellow Subsidiary	0.29	-
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	4.94	-
12	<u>Remuneration to Key Managerial Personnel</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	66.00	6.00
	Kanchan Bastimalji Jain	Key Managerial Personnel	3.36	2.52
	Mihir Dinesh Jain	Key Managerial Personnel	64.00	-
	Anil Hitendra Jain	Key Managerial Personnel	18.75	-
13	<u>Guarantee Fee Payment</u>			
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	3.33	1.33
14	<u>Royalty Payment</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	-	0.23

Mayuri Kumkum Limited

Notes to the Financial Statements for the year ended 31st March, 2023

15	<u>Registered Trademark Purchase</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	-	100.00
16	<u>Property, Plant & Equipment Purchased</u>			
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	0.90

(iii) Balances as at 31st March 2023:

			2022-23	₹ in lakhs 2021-22
1	<u>Equity Shares #</u>			
	Reliance Retail Ventures Limited	Holding Company	29,299.97	-
	Dinesh Bastimalji Jain	Key Managerial Personnel	9.93	9.90
	Mihir Dinesh Jain	Key Managerial Personnel	0.07	0.02
	Sharmila Dinesh Jain	Relative of Key Managerial Personnel	-	0.02
2	<u>Trade Receivables</u>			
	Reliance Retail Limited	Fellow Subsidiary	13.54	-
3	<u>Deposits receivable</u>			
	Dinesh Bastimalji Jain	Key Managerial Personnel	0.75	-
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	45.00	272.98
4	<u>Trade Payable</u>			
	Mihir Dinesh Jain	Key Managerial Personnel	-	20.39
	Dinesh Bastimalji Jain	Key Managerial Personnel	0.68	41.12
	Kanchan Bastimalji Jain	Key Managerial Personnel	-	9.01
	Anil Hitendra Jain	Key Managerial Personnel	-	1.42
	Dinesh Jain HUF	Relative of Key Managerial Personnel	-	19.35
	Lata Jain	Relative of Key Managerial Personnel	-	1.15
	VOV International (Prop Sharmila Jain)	Relative of Key Managerial Personnel	-	187.45
	Midisha Estate Private Ltd (Earlier Known as Insight Cosmetics P Ltd.)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	9.45	27.73
	VOV International Analytics	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	8.30
	MKUP Matrix	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	11.28
	Matrix Enterprise	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	-	11.84
5	<u>Other Payable</u>			
	Mayuri Kumkum (Partnership Firm)	Enterprise over which Key Managerial Personnel of the company are able to exercise significant influence	348.77	21,550.12

includes securities premium

Mayuri Kumkum Limited
Notes to the Financial Statements for the year ended 31st March, 2023

30 Leases Disclosure

Lease liabilities

₹ in Lakhs

Particulars	As at 31st March 2023	As at 31st March 2022
Contractual undiscounted cash flows		
Less than one year	351.18	72.13
One to five years	1,123.27	150.56
More than five years	2,451.98	-

Lease liabilities included in the balance sheet at 31st March 2023 & 31st March 2022

Particulars	As at 31st March 2023	As at 31st March 2022
Non Current	1,543.26	138.74
Current	218.10	58.44

Amounts recognised in statement of profit or loss

Particulars	As at 31st March 2023	As at 31st March 2022
Interest on lease liabilities	85.70	2.56
Amortisation of Right-to-Use Asset	168.52	10.46

Amounts recognised in the statement cash flows

Particulars	As at 31st March 2023	As at 31st March 2022
Total cash outflow for leases	208.14	11.17

31 Capital Management

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.
- Manage financial market risks arising from foreign exchange, interest rates and minimise the impact of market volatility on earnings.
- Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet.

This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

Net Gearing Ratio

The net gearing ratio at end of the reporting period was as follows.

	₹ in Lakhs	
	As at	As at
	31st March 2023	31st March 2022
Gross Debt	-	7 11.37
Cash and Marketable Securities*	79 48.85	4 22.17
Net Debt (A)	(79 48.85)	2 89.20
Total Equity (As per Balance Sheet) (B)	320 08.31	3.84
Net Gearing ratio (A/B)	-	75.37

* Cash and Marketable Securities include Cash and Cash Equivalents of ₹ 211.98 lakhs (Previous Year ₹ 422.17 lakhs), Marketable Securities of ₹ 77,36.87 lakhs (Previous Year Nil).

32 Financial Instruments

A Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- Fair value of investments in mutual funds is measured at quoted price or NAV.

Fair value measurement hierarchy:

Fair value measurement hierarchy:						₹ in Lakhs		
Particulars	Carrying Amount	31st March 2023			Carrying	31st March 2022		
		Level of input used in				Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Investments	-	-	-	-	2.41	-	-	2.41
Trade Receivables	1,948.02	-	-	-	1,447.46	-	-	-
Cash and Cash Equivalents	211.98	-	-	-	422.17	-	-	-
Other Financial Assets	67.40	-	-	-	219.66	-	-	-
At FVTPL								
Investments	7,736.87	7,736.87	-	-	-	-	-	-
Financial Liabilities								
At Amortised Cost								
Borrowings	-	-	-	-	711.37	-	-	-
Trade Payables	515.18	-	-	-	1,192.50	-	-	-
Other Financial Liabilities	348.77	-	-	-	21,550.12	-	-	-

Reconciliation of fair value measurement of the investment categorised at level 3: `

	₹ in Lakhs	
	As at	As at
	31st March 2023	31st March 2022
Opening Balance	2.41	-
Addition during the year	-	2.41
Sales / reduction during the year	(2.41)	-
Total gain / (loss) during the year	-	-
Closing balance	-	2.41

The fair value of assets and liabilities carried at amortized cost approximates its fair value.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

B Financial Risk Management

The company's activities expose it to variety of financial risks: market risk, credit risk, interest rate risk and liquidity risk. Within the boundaries of approved Risk Management Policy framework The Company uses derivative instruments to manage the volatility of financial markets and minimize the adverse impact on its financial performance.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Foreign Currency risk

Foreign currency risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023****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 exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with fixed interest rates.

Exposure to interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at fixed interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Particulars	As at 31st March 2023	₹ in Lakhs As at 31st March 2022
Borrowings	-	518.09
Total	-	518.09

Increase/ (decrease) in Interest cost of Long term borrowings for the year:

Particulars	(₹ in lakhs)	
	As at 31st March 2023	As at 31st March 2022
+1%/-1%	-	5.18

Commodity Risk and Other price Risk

The Company is not exposed to the commodity and other price risk.

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. 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 stock of cash, marketable securities and committed credit facilities. It 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 shortdated, 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. The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	Maturity Profile as at 31st March, 2023						₹ in Lakhs
	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current	-	-	-	-	-	-	-
Current	-	-	-	-	-	-	-
Lease Liabilities	52.36	53.69	112.05	529.60	148.20	865.47	1,761.37
Total	52.36	53.69	112.05	529.60	148.20	865.47	1,761.37

Note: The above does not include trade payable of ₹ 515.18 Lakhs and other current financial liabilities of Rs 348.77 Lakhs.

Particulars	Maturity Profile as at 31st March, 2022						₹ Lakhs
	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings							
Non-Current	-	-	-	-	-	-	-
Current	-	711.37	-	-	-	-	711.37
Lease Liabilities	13.97	14.29	30.18	138.74	-	-	197.18
Total	13.97	725.66	30.18	138.74	-	-	908.55

Note: The above does not include trade payable of ₹ 1,192.5 Lakhs and other current financial liabilities of ₹ 21,550.12 Lakhs.

Mayuri Kumkum Limited
Notes to the Financial Statements for the year ended 31st March, 2023

33 Ratios

Sr. No.	Ratios	As at 31st March 2023	As at 31st March, 2022	% Change	Reason for change in variance
i	Current Ratio	7.39	0.15	4,725.53	Investment increased considerably in FY 22-23 as compared to FY 21-22.
ii	Debt-Equity Ratio	-	185.39	(100.00)	Decrease in debt equity ratio due to repayment of borrowings in current year.
iii	Debt Service Coverage ratio	3.73	35.58	(89.50)	Borrowings got repaid completely in current year resulting in decrease in borrowing considerably
iv	Return on Equity Ratio	16.90%	-160.61%	(110.52)	Return on equity has improved compared to previous year due to improved operational performance.
v	Inventory Turnover Ratio	7.15	1.56	358.94	Increased due to normal increase in business.
vi	Trade Receivables Turnover Ratio	7.45	1.97	277.50	Increased due to normal increase in business.
vii	Trade Payable Turnover Ratio	9.06	1.68	439.71	Increased due to normal increase in business.
ix	Net Capital Turnover Ratio	1.15	-0.14	(904.94)	Increased due to general improvement in business.
x	Net Profit Ratio	21.39%	-0.22%	(10,010.91)	Increased due to reduction in expenses.
x	Return on Capital Employed	7.07%	2.32%	204.44	Improvement on account of reduction in expenses and payment of previous year loans.
xi	Return on Investment	7.81%	0.08%	9,967.18	Change majorly due to invetsment made in the current year.

33.1 Formula for computation of ratios are as follows :

Sr. No	Ratios	Formula
i	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$
ii	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Total Equity}}$
iii	Debt Service Coverage Ratio	$\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
iv	Return on Equity Ratio	$\frac{\text{Profit After Tax}}{\text{Average Net worth}}$
v	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold (Cost of material consumed + Purchases + Changes in inventory+ Manufacturing expenses)}}{\text{Average Inventories of Finished Goods, Stock-in-Process and Stock-in Trade}}$
vi	Trade Receivables Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Average Trade Receivables}}$
vii	Trade Payable Turnover Ratio	$\frac{\text{Cost of Material Consumed (after adjustment of RM Inventory) + Purchase of stock in trade + other Expenses}}{\text{Average Trade Payables}}$
viii	Net Capital Turnover Ratio	$\frac{\text{Value of Sales \& Services}}{\text{Working Capital (Current Assets - Current Liabilities)}}$
ix	Net (Loss)/Profit Ratio	$\frac{\text{Profit After Tax (after exceptional)}}{\text{Value of Sales \& Services}}$
x	Return on Capital Employed	$\frac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed**}}$
xi	Return on Investment	$\frac{\text{Other income (excluding dividend)}}{\text{Average Cash, cash equivalent and other marketable securities}}$

**Capital employed includes Equity, Borrowings, Deferred Tax Liabilities, Creditor for Capital Expenditure and reduced by Investments, Cash and Cash Equivalents, Capital Work-in-Progress and Intangible Assets under Development.

34 Reconciliation of balance sheet due to effect of Ind AS adoption*

The Company is incorporated on 14th October 2021 hence there is no reconciliation as on transition date.

Effect of Ind AS adoption on the Balance sheet as at 31st March,2022

₹ in Lakhs

Particulars	Note	As at 31st March, 2022		
		Previous GAAP*	Transition to Ind AS	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	I	241.98	205.64	447.62
Goodwill		985.00	-	985.00
Other Intangible Assets	II	18,068.77	831.65	18,900.42
Financial assets				
- Investments		2.41	-	2.41
- Other Financial Asset		213.80	-	213.80
Other Non Current Assets	I & V	189.56	(38.38)	151.18
Total non-current assets		19,701.52	998.91	20,700.43
Current assets				
Inventories	III	1,581.01	78.69	1,659.70
Financial assets				
- Investments		-	-	-
- Trade receivables		1,447.46	-	1,447.46
- Cash and cash equivalents		422.17	-	422.17
- Other financial assets	I	-	5.86	5.86
Other Current Assets	I	101.60	(13.34)	88.26
Total current assets		3,552.24	71.21	3,623.45
Total assets		23,253.76	1,070.12	24,323.88
EQUITY AND LIABILITIES				
Equity				
Equity share capital		10.00	-	10.00
Other equity		(359.04)	352.88	(6.16)
Total equity		(349.04)	352.88	3.84
Liabilities				
Non-current liabilities				
Financial liabilities				
- Lease Liabilities	I	-	138.74	138.74
- Deferred Tax liability	VI	-	520.06	520.06
Total non-current liabilities		-	658.80	658.80
Current liabilities				
Financial liabilities				
- Borrowings		711.37	-	711.37
- Lease Liabilities	I	-	58.44	58.44
- Trade payables		1,192.50	-	1,192.50
- Other financial liabilities		21,550.12	-	21,550.12
Other Current liabilities		148.81	-	148.81
Total current liabilities		23,602.80	58.44	23,661.24
Total liabilities		23,602.80	717.24	24,320.04
Total equity and liabilities		23,253.76	1,070.12	24,323.88

* The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

34.1 Effect of Ind AS adoption on the Statement of Profit and loss for the year ended 31st March, 2022

₹ in Lakhs

Particulars	Note	For the year ended 31st March, 2022		
		Previous GAAP*	Transition to Ind AS	Ind AS
INCOME				
Value of Sales	IV	2,408.76	446.67	2,855.43
Less: GST / Service Tax recovered	IV	-	446.67	446.67
Revenue from Operations		2,408.76	-	2,408.76
Other Income	I	-	0.33	0.33
Total Income		2,408.76	0.33	2,409.09
Expenses				
Cost of Materials Consumed		1,109.16	-	1,109.16
Purchase of Stock in Trade		438.55	0.00	438.55
Changes in Inventories of Stock-in-Trade	III	(526.16)	(78.69)	(604.85)
Employee Benefits Expense		150.43	0.00	150.43
Finance Costs	I	6.04	0.00	6.04
Depreciation and Amortisation Expense	I,II	1,173.38	(831.49)	341.89
Other Expenses	I	416.40	37.57	453.97
Total Expenses		2,767.80	(872.61)	1,895.19
Profit / (Loss) before Tax		(359.04)	872.94	513.90
Deferred Tax	V	-	520.06	520.06
Profit / (Loss) for the year		(359.04)	352.88	(6.16)
Other Comprehensive Income				
Items that will not be reclassified to Profit or Loss		-	-	-
Total Comprehensive Income for the Year		(359.04)	352.88	(6.16)
Earnings per Equity Share of face value of ₹ 10 each				
Basic and Diluted (in ₹)		(359.04)	352.88	(6.16)

* The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

Reconciliation of total equity as at 31st March, 2022 due to effect of Ind AS adoption

Particulars	As at 31st March, 2022
Equity as reported under Previous GAAP	(349.04)
Impact of lease accounting	(1.64)
Impact of depreciation	841.94
Impact of Deferred tax	(520.06)
Valuation of Inventory	78.69
Recognition of assets	(46.06)
Total Equity under Ind AS	3.84

I Accounting of Lease

The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and right-of-use asset at an amount equal to lease liability adjusted by the amount of any prepaid and accrued lease payment related to that assets recognised in balance sheet immediately preceding the date of initial application. On transition, the adoption of the new standard resulted in recognition of 'Right-of-Use' asset of Rs 205.80 lakhs and a lease liability of similar amount.

II Depreciation

The company has changed its method of Depreciation from WDV Method to SLM Also, the company has taken life of the Property, Plant & Equipment and Other Intangible Assets as per Schedule II of the Companies Act, 2013.

III Inventories

Company has considered directly attributable cost in the valuation of inventory.

IV Revenue Recognition

The Company has presented Revenue (gross) and GST recovered separately as deduction to Revenue (gross).

V Derecognition of assets

The company has derecognised pre-operating costs is of Rs.45.80 Lakhs and accounted foreign exchange gain/(loss) of Rs 0.12 Lakhs.

VI Deferred Tax

Based on above adjustments, company has accounted the deferred tax in the books of accounts.

Mayuri Kumkum Limited**Notes to the Financial Statements for the year ended 31st March, 2023****35 Additional regulatory information required by Schedule III**

- a** The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- b** The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

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

36 Business Purchase

On 18th January, 2022, the entity entered into a Business Transfer Agreement with Mayuri Kumkum (Partnership firm), the seller to acquire the seller's business as a going concern through slump sale for a consideration of ₹ 21,800 lakhs.

The fair value of net assets acquired on acquisition date amounted to ₹ 20,815 lakhs . The excess of purchase consideration over fair value of net assets acquired has been attributed towards goodwill.

Components	Purchase Price allocated (₹ in Lakhs)
Net Assets*	1,693
Brand and Trademarks	18,162
Website	960
Goodwill	985
Total Purchase Consideration	21,800

* Includes cash and cash equivalents acquired of ₹ 56 lakhs

The fair value and gross contractual amount for trade receivables acquired is ₹ 1,804 lakhs and is expected to be collectable. The fair value and gross contractual amount for trade payables are ₹ 870 lakhs.

Goodwill arising on the acquisition is not deductible for tax purposes

An amount of ₹ 400 lakhs is pending to be paid to Mayuri Kumkum (Partnership firm) as of 31st March 2023 as per the terms of BTA.

- 37** The figures of the corresponding year has been regrouped/reclassified wherever necessary, to make them comparable.

- 38** The Financial Statements were approved for issue by the Board of Directors on 19th April, 2023

Mayuri Kumkum Limited

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm's Registration No.

Amit Chaturvedi

Partner

Membership Number: 103141

For and on behalf of the Board

Mihir Dinesh Jain

Director

(DIN 08973105)

Anil Jain

Director

(DIN 09349865)

Dinesh Jain

Director

(PAN AACPJ4818K)

Gaurav Jain

Director

(DIN 02697278)

Ashwin Khasgiwala

Director

(DIN 00006481)

Nikhil Chakrapani

Director

(DIN 03585055)

Date: 19th April, 2023