

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF VAIBHAV LIFESTYLE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **VAIBHAV LIFESTYLE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditors' report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will 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.

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's and Board of Directors Responsibilities for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

Other Matters

The financial statements of the Company for the year ended March 31, 2023, were audited by another auditor who expressed an unmodified opinion on those statements on July 10, 2023.

Report on Other Legal and Regulatory Requirements

- A. 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.
- B. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules made thereunder.
- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, no remuneration has been paid by the Company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

- 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 litigation which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts hence, the question of any material foreseeable losses does not arise;
 - iii. No amount is required to be transferred to the Investor Education and Protection Fund by the Company
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and therefore compliance of Section 123 of the Act, is not applicable.
- vi. The reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination which included test checks, we report that:

- (a) The Company has used an accounting software, which is operated by a third-party software service provider, for maintaining its books of account. In the absence of any reporting outlined in SOC I Type II Report, we are unable to comment whether audit trail feature of the said software was enabled at database layer and operated throughout the year or whether there were any instances of the audit trail feature been tampered with. Further, the feature of recording audit trail (edit log) facility has not been enabled appropriately at application layer. Consequently, we are unable to comment on audit trail feature of the said software at application layer;
- (b) The Company has used accounting softwares for maintaining its books of account relating to workers payroll, which does not have the feature of recording audit trail (edit log) facility. Consequently, we are unable to comment on audit trail feature of the said software.

For B. Khosla & Co.
Chartered Accountants
Firm Registration No. 000205C

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MUNDRA Date: 2024.05.21
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Sandeep Mundra
Partner
Membership No: 075482

Place: Jaipur
Date: May 21, 2024
UDIN: 24075482BKCMNL3552

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph A under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **VAIBHAV LIFESTYLE LIMITED** of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy was noticed on such verification
 - (c) The Company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence reporting under clause 3 (i) (c) of the Order is not applicable.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year. Hence reporting under clause 3 (i) (d) of the Order is not applicable.
 - (e) As informed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended 2016) and rules made thereunder. Hence reporting under clause 3 (i) (e) is not applicable.
- ii.
 - (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory
 - (b) According to the information and explanations given to us and on the basis of examination of the records of the Company, the company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks and financial institution on the basis of security of current assets at any point of time of the year. Hence reporting under clause 3 (ii) (b) is not applicable.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability

partnerships or any other parties during the year. Hence reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.

- iv. The Company has neither made any investment nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under clause 3 (iv) is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Hence, reporting under clause 3 (v) is not applicable.
- vi. As per information and explanation given to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the goods produced by the Company. Hence reporting under clause 3(vi) of the order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:

- (a) In our opinion, the Company has been generally being regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Goods and Services Tax (GST), Income Tax, Duty of Customs or Cess or other statutory dues applicable to it with the appropriate authorities,

There were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Goods and Services Tax (GST), Income Tax, Duty of Customs or Cess or other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues related to Provident Fund, Employees State Insurance, Goods and Services Tax (GST), Income Tax, Duty of Customs or Cess or other material statutory dues as on March 31, 2024 which have not been deposited with the appropriate authorities on account of disputes.
- viii. According to the information and explanations given to us and records examined by us, there are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, reporting under clause 3 (viii) is not applicable.
 - ix. (a) According to the information and explanations given to us and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as at the Balance Sheet date.

(b) According to the information and explanations given to us and records examined by us, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Hence, reporting under clause 3 (ix) (b) is not applicable.

(c) Based on our examinations of the records and information and explanations given to us, the Company has not obtained any term loans during the year. Hence, reporting under clause 3 (ix) (c) is not applicable.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company does not hold any investment in subsidiaries, associates or joint ventures (as defined under the Act) during the year ended March 31, 2024. Hence, reporting under clause 3 (ix) (e) is not applicable.
- (f) The Company does not hold any investment in subsidiaries, associates or joint ventures (as defined under the Act) during the year ended March 31, 2024. Hence, reporting under clause 3 (ix) (f) is not applicable.
- x. (a) The Company has not raised any moneys by way of initial public offer (IPO) or further public offer (including debt instruments) during the year. Hence, reporting under clause 3 (x) (a) is not applicable.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. In our opinion, in respect of preferential allotment of equity shares made during the year, the Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- (c) As represented and based on our examination of records made available to us by the management, there are no whistle blower complaints received by the Company during the year. Hence reporting under clause 3(xi)(c) is not applicable.
- xii. The Company is not a Nidhi company and hence reporting under clause 3(xii) is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Sections 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. The provisions of Section 177 of the Act read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 are not applicable to the Company.
- xiv. (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system for the financial year 2023-2024 as per provisions of the Companies Act, 2013. Hence, reporting under clause 3(xiv) (a) and (b) is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence, reporting under clause 3(xv) is not applicable.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a), (b) and (c) is not applicable.

- (b) According to information and explanations given to us, there is no Core Investment Company within the Group and accordingly reporting under clause 3(xvi)(d) is not applicable.
- xvii. The Company has incurred cash losses of Rs. 520.68 lacs during the financial year covered by our audit and Rs. 388.57 lacs in the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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 the 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 requirements as stipulated by the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under clauses 3(xx) (a) and (b) are not applicable.

For B. Khosla & Co.

Chartered Accountants

Firm Registration No. 000205C

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(Sandeep Mundra)

Partner

Membership No: 075482

Place: Jaipur

Date: May 21, 2024

UDIN: 24075482BKCMNL3552

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

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

TO THE MEMBERS OF VAIBHAV LIFESTYLE LIMITED

We have audited the internal financial controls over financial reporting of **VAIBHAV LIFESTYLE LIMITED** ("the Company") as of March, 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing as specified prescribed under Section 143 (10) of the Companies Act, 2013 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 over financial reporting 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, 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 the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. Khosla & Co.

Chartered Accountants

Firm Registration No. 000205C

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(Sandeep Mundra)

Partner

Membership No: 075482

Place: Jaipur

Date: May 21, 2024

UDIN:24075482BKCMNL3552

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
 Balance sheet as at 31 March 2024
 (All amount in lacs of Indian Rupees, except share data and as stated otherwise)

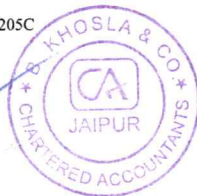
Particulars	Note No.	31 March 2024	31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4A	195.50	206.79
Right-of-use Assets	4B	195.07	-
Intangible assets	4C	12.26	0.32
Intangible assets under development	4D	2.65	11.26
Financial assets			
Others	5	0.12	0.12
Non-current tax assets (net)	6	1.50	0.37
Other non-current assets	6A	0.91	1.06
Total non-current assets		408.01	219.92
Current assets			
Inventories	7	691.19	659.11
Financial assets			
Trade receivables	8	328.66	92.39
Cash and cash equivalents	9	2.02	0.34
Loans	10	0.14	0.03
Others	5	13.42	16.86
Other current assets	11	269.11	172.72
Total current assets		1,304.54	941.45
Total assets		1,712.55	1,161.37
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12A	1,100.00	60.00
Other equity	12B	(1,236.75)	(677.39)
Total equity		(136.75)	(617.39)
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities		186.67	-
Provisions	13	5.10	2.75
Total non-current liabilities		191.77	2.75
Current liabilities			
Financial liabilities			
Borrowings	14	941.21	1,411.74
Lease Liabilities		5.39	-
Trade payables	15		
- Total outstanding dues of micro enterprises and small enterprises; and		66.37	26.77
- Total outstanding dues of creditors other than micro enterprises and small enterprises		273.70	88.82
Other financials liabilities	16	358.38	241.46
Other current liabilities	17	11.12	6.24
Provisions	13	1.36	0.98
Total current liabilities		1,657.53	1,776.01
Total liabilities		1,849.30	1,778.76
Total equity and liabilities		1,712.55	1,161.37
Material accounting policies	3		

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

As per our attached report of even date

For **B. Khosla & Co.**
 Chartered Accountants
 ICAI Firm's Registration No.: 000205C


Sandeep Mundra
 Partner
 Membership No. : 075482



For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
 Director
 DIN: 08980903


Rupali Lakwani
 Chief Financial Officer


Nitin Banwad
 Managing Director
 DIN: 09775716


Sushil Sharma
 Company Secretary
 ICSI Membership No:
 F6535

Place: Jaipur
 Date: 21 May 2024

Place: Jaipur
 Date: 21 May 2024

Place: Jaipur
 Date: 21 May 2024

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Statement of profit and loss for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Revenue from operations	18	2,019.75	1,063.84
Other income	19	21.09	27.08
Total income		2,040.84	1,090.92
EXPENSES			
Cost of materials consumed	20	1,021.36	500.66
Purchases of stock-in-trade	21	116.99	136.44
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(25.60)	(239.22)
Employee benefits expense	23	185.21	163.04
Finance costs	24	142.52	95.78
Depreciation and amortisation expense	25	48.41	27.50
Other expenses	26	1,110.66	824.31
Total expense		2,599.55	1,508.51
Loss before tax		(558.71)	(417.59)
Tax expense	27	-	-
Loss for the year (A)		(558.71)	(417.59)
Other comprehensive loss (B)			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit liability		(0.65)	(0.75)
(ii) Income tax relating to remeasurement of defined benefit liability		-	-
Other comprehensive loss for the year, net of tax (B)		(0.65)	(0.75)
Total comprehensive loss for the year (A+B)		(559.36)	(418.34)
Loss per equity share			
Basic and diluted	28	(9.24)	(69.60)
Material accounting policies	3		

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

As per our attached report of even date

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 000205C


Sandeep Mundra
Partner
Membership No. : 075482



For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
Director
DIN: 08980903


Rupali Lalwani
Chief Financial Officer


Nitin Panwad
Managing Director
DIN: 09775716


Sushil Sharma
Company Secretary
ICSI Membership No:
F6535

Place: Jaipur
Date: 21 May 2024

Place: Jaipur
Date: 21 May 2024

Place: Jaipur
Date: 21 May 2024

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Statement of changes in equity for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

A Equity share capital:

Balance as at 01 April 2023	Changes in equity share capital due to prior period errors	Restated balance as at 01 April 2023	Changes in equity share capital during the year	Balance as at 31 March 2024
60.00	-	60.00	1,040.00	1,100.00

Balance as at 01 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 01 April 2022	Changes in equity share capital during the period	Balance as at 31 March 2023
60.00	-	60.00	-	60.00

B Other equity:

For the year ended 31 March 2024	Reserves and surplus	Total
	Retained earnings	
Balance as at 01 April 2023	(677.39)	(677.39)
Loss for the year	(558.71)	(558.71)
Other comprehensive loss	(0.65)	(0.65)
Balance as at 31 March 2024	(1,236.75)	(1,236.75)

For the year ended 31 March 2023	Reserves and surplus	Total
	Retained earnings	
Balance as at 01 April 2022	(259.05)	(259.05)
Loss for the year	(417.59)	(417.59)
Other comprehensive loss	(0.75)	(0.75)
Balance as at 31 March 2023	(677.39)	(677.39)


Material accounting policies


3

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

As per our attached report of even date

For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 000205C

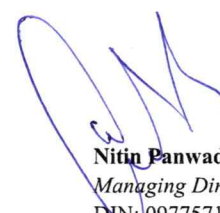

Sandeep Mundra
Partner
Membership No. : 075482



For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
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DIN: 08980903


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Company Secretary
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Date: 21 May 2024

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Date: 21 May 2024

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Statement of cash flows for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
A Cash flow from operating activities		
Loss for the year	(558.71)	(417.59)
Adjustment for :		
Depreciation and amortisation expense	48.41	27.50
Share based payments to employees	3.01	0.45
Loss/(gain) on unrealised foreign exchange difference (net)	1.54	(1.11)
Finance costs	142.52	95.78
Allowances for / write off doubtful debts and advances	0.17	11.62
Reversal of Provision for bad and doubtful debts	(9.65)	-
Miscellaneous income	-	(0.10)
Liabilities no longer required written back	(0.90)	(0.57)
Loss/(Gain) on sale / write off of property, plant and equipment	-	(2.53)
Operating loss before working capital changes:	(373.61)	(286.55)
Working capital adjustments :		
(Increase) in trade receivables	(228.33)	(29.01)
(Increase) in inventories	(32.08)	(281.76)
(Increase) in other assets	(92.93)	(59.87)
Increase/(decrease) in trade payables, provisions, other current	395.31	(6.52)
Cash utilised in operating activities	(331.64)	(663.71)
Income taxes paid	(1.13)	9.64
Net cash utilised in operating activities (A)	(332.77)	(654.07)
B Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(22.94)	(95.06)
Proceeds from disposal of property, plant and equipment	0.22	10.08
Net cash utilised in investing activities (B)	(22.72)	(84.98)
C Cash flow from financing activities		
Proceeds from issue of share capital	1,040.00	-
Movement in short term borrowings (net)	(470.53)	756.52
Repayment of lease liabilities (net)	(38.50)	-
Interest paid	(173.80)	(40.76)
Net cash generated from financing activities (C)	357.17	715.76
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1.68	(23.29)
Opening balance of cash and cash equivalents	0.34	23.63
Closing balance of cash and cash equivalents	2.02	0.34
Cash and cash equivalents comprises		
Cash on hand	0.35	0.34
Balance with bank in current accounts	1.67	-
	2.02	0.34
Material accounting policies	3	

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

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Statement of cash flows for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

Notes

1. The statement of cash flows has been prepared under the 'indirect method' as set out in Ind AS-7 "Statement of Cash Flows", as specified under section 133 of the Companies Act, 2013.

2. Change in financial liabilities arising from financial activities

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
Opening balance of short term borrowings	1,411.74	655.22
Movement in short term borrowings (net)	(470.53)	756.52
Closing balance of short term borrowings	941.21	1,411.74

As per our attached report of even date


For **B. Khosla & Co.**
Chartered Accountants
ICAI Firm's Registration No.: 000205C


Sandeep Mundra
Partner
Membership No. : 075482



Place: Jaipur
Date: 21 May 2024

For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
Director
DIN: 08980903


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Chief Financial Officer

Place: Jaipur
Date: 21 May 2024


Nitin Pawad
Managing Director
DIN: 09775716


Sushil Sharma
Company Secretary
ICSI Membership No:
F6535

Place: Jaipur
Date: 21 May 2024

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

1. Reporting entity

Vaibhav Lifestyle Limited (hereinafter referred to as 'the Company' or 'VLL') is a company domiciled in India, with its registered office situated at K-6B, Fateh Tiba, Adarsh Nagar, Jaipur - 302004. The Company was incorporated on 05 December 2020 under the provisions of Indian Companies Act. The Company is a subsidiary of Vaibhav Global Limited ("VGL"). The Company deals in garments & textile products.

2. Basis of preparation

a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 21 May 2024.

Details of the Company's accounting policies are included in note 3.

b. Functional and presentation currency

The financial statements are presented in Indian Rupees (Rs.) which is also the Company's functional currency. All amounts have been rounded off to the nearest lacs, except share data and as stated otherwise.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities -	Fair value

d. Use of estimates and judgements.

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

e. Measurement of fair value

The Company records certain financial assets and liabilities at fair value on a recurring basis.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

In accordance with Ind AS 113, assets and liabilities are to be measured based on the following valuation techniques:

- a) Market approach – Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.
- b) Income approach – Converting the future amounts based on market expectations to its present value using the discounting methodology.
- c) Cost approach – Replacement cost method.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 38 and 39 – financial instruments

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

f. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash 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 the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3. Material accounting policies

a. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currencies of Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

b. Financial instruments

i. Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

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

- amortised cost; and
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition

Financial assets: subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

iii. De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

iv. Offsetting

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

c. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non - refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Estimated useful life (in years)	Useful life as per schedule II (in years)
Plant and machinery	15	15
Furniture and fixtures	10	10
Office equipment	5	5
Electrical installation	10	10
Vehicles	8	8
Computer	3	3

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

d. Intangible assets and intangible assets under development

Intangible assets

i. Recognition and measurement

Intangible assets include computer software. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in statement of profit and loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in statement of profit and loss.

The estimated useful lives are as follows:

Asset	Estimated useful life (in years)
Computer software	3-5

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets under development

Intangible assets under development includes softwares, which is capitalized as per the milestones defined in the management plan or contract with the vendor.

e. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Slow and non-moving material, obsolesces, defective inventories are duly provided for and valued at net realisable value or cost whichever is lower. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)

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

(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

Identification of a specific item and determination of estimated net realizable value involve technical judgments of the management which is also supported by valuation from an independent valuer, wherever required.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value.

f. Impairment

i. Impairment of financial instruments

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, and trade receivables. The cash resources of the Company are invested in banks and liquid funds after an evaluation of the credit risk. By their nature, all such financial instruments involve risks, including the credit risk of non-performance by counterparties.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on trade receivables. The Company follows 'simplified approach'. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss. This amount is reflected in a separate line in the statement of profit and loss as an impairment gain or loss. In balance sheet ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

g. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

ii. Defined contribution plans

The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

h. Provision (other than for employee benefits)

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, and commitments are reviewed at each balance sheet date.

i. Revenue

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products to customers for an amount that reflects the consideration the Company expects to receive in exchange for those products. The control of goods is transferred to the customer depending upon agreed terms with customer. Control is considered to be transferred to the customer when the customer has ability to direct the use of such products and obtain substantially all the benefits from it.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

Other operating revenues

Duty benefits are recognized on accrual basis and when the right to entitlement has been established.

j. Recognition of interest income or expense

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

k. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to the financial statements for the year ended 31 March 2024
(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

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

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

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

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception 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 less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset 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 asset 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

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 leases if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all

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

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assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

l. Tax Expense

Tax expenses comprises current and deferred tax.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year / period and any adjustment to the tax payable or receivable in respect of previous years / periods. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

(All amounts in lacs of Indian Rupees, except share data and stated otherwise)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

m. Goods and services tax (GST)

Expenses and assets are recognised net of the amount of sales/ value added taxes/ goods and services tax paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

n. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

o. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand, which are subject to an insignificant risk of changes in value.

p. Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the parent company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

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

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q. Significant accounting estimates and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year / period, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

r. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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Notes to financial statements for the year ended 31 March 2024
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4A Property, plant and equipment*

Reconciliation of carrying amount							
Particulars	Plant and equipment	Furniture and fixtures	Office equipment	Electric installation	Computer	Vehicles	Total
Cost							
Balance as at 01 April 2022	100.69	11.44	21.98	7.42	23.56	5.78	170.87
Additions	68.05	6.66	5.75	5.17	1.17	-	86.80
Written off / disposals	(8.37)	(0.01)	(0.03)	-	(0.36)	-	(8.77)
Balance as at 31 March 2023	160.37	18.09	27.70	12.59	24.37	5.78	248.90
Additions	2.86	5.15	3.87	4.27	0.43	-	16.58
Written off / disposals	(0.01)	-	(0.07)	(0.14)	-	-	(0.22)
Balance as at 31 March 2024	163.22	23.24	31.50	16.72	24.80	5.78	265.26
Accumulated depreciation							
Balance as at 01 April 2022	4.10	1.20	1.32	3.48	5.20	0.68	15.98
Depreciation charge for the year	8.57	1.87	4.86	3.69	7.67	0.69	27.35
Written off / disposals	(0.98)	(0.01)	0.00	0.00	(0.23)	0.00	(1.22)
Balance as at 31 March 2023	11.69	3.06	6.18	7.17	12.64	1.37	42.11
Depreciation charge for the year	10.75	1.90	5.69	0.75	7.87	0.69	27.65
Written off / disposals	(0.08)	0.10	(0.02)	-	-	-	0.00
Balance as at 31 March 2024	22.36	5.06	11.85	7.92	20.51	2.06	69.76
Carrying amount (net)							
Balance as at 31 March 2023	148.68	15.03	21.52	5.42	11.73	4.41	206.79
Balance as at 31 March 2024	140.86	18.18	19.65	8.80	4.29	3.72	195.50

* refer note 32 for assets hypothecated as security against bank borrowings

4B Right-of-use Assets

Leases as lessee

Right-of-use Assets related to leased properties that do not meet the definition of investment property:

Particulars	Building
Balance as at 01 April 2023	-
Additions during the year	212.81
Depreciation charge for the year	(17.73)
Balance as at 31 March 2024	195.07

The total amount of cashflow on account of leases for the year has been disclosed in the statement of cash flows.

Amount recognised in profit or loss:

Particulars	Year ended 31 March 2024
Interest expense on lease liabilities	17.75
Depreciation charge on Right-of-use assets	17.73
Total	35.48

4C Intangible assets

Reconciliation of carrying amount

Particulars	Softwares
Cost	
Balance as at 01 April 2022	0.61
Additions	-
Balance as at 31 March 2023	0.61
Additions	3.71
Transferred from Intangible assets under development	11.26
Balance as at 31 March 2024	15.58
Accumulated amortisation	
Balance as at 01 April 2022	0.14
Depreciation charge for the year	0.15
Balance as at 31 March 2023	0.29
Depreciation charge for the year	3.03
Balance as at 31 March 2024	3.32
Carrying amount (net)	
Balance as at 31 March 2023	0.32
Balance as at 31 March 2024	12.26

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4D Intangible assets under development

Reconciliation of carrying amount

Particulars	Amount
Balance as at 01 April 2022	3.00
Additions during the year	8.26
Balance as at 31 March 2023	11.26
Additions during the year	2.65
Transferred to intangible assets	(11.26)
Balance as at 31 March 2024	2.65

Intangible assets under development ageing schedule

As at 31 March 2024	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	2.65	-	-	-	2.65
	2.65	-	-	-	2.65

As at 31 March 2023	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress	8.26	3.00	-	-	11.26
	8.26	3.00	-	-	11.26

Details of intangible assets under development where completion is overdue or has exceeded its cost compared to its original plan, is as follows

As at 31 March 2023	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	8.26	3.00	-	-	11.26
	8.26	3.00	-	-	11.26

5 Financial assets- others

Particulars	31 March 2024	31 March 2023
Non-current		
Security deposits, unsecured, considered good	0.12	0.12
	0.12	0.12
Current		
Other receivables*	13.42	16.86
	13.42	16.86

* includes receivable from related parties (refer note 36)

6 Non-current tax assets (net)

Particulars	31 March 2024	31 March 2023
Deposits with tax authorities	1.50	0.37
	1.50	0.37

6A Other non-current assets

Particulars	31 March 2024	31 March 2023
Prepaid expenses	0.91	1.06
	0.91	1.06

7 Inventories*

Particulars	31 March 2024	31 March 2023
Raw materials	225.37	228.14
Work in progress	339.83	28.69
Finished goods**	90.09	375.63
Stores and consumables	35.90	26.65
Total inventories at the lower of cost and net realisable value	691.19	659.11

* refer note 32 for assets hypothecated as security against bank borrowings

** finished goods includes goods purchased for re-sale, as both are stocked together

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8 Financial assets - trade receivables*		31 March 2024	31 March 2023
Particulars			
Current			
Secured, considered good		-	-
Unsecured, considered good		328.66	92.39
		328.66	92.39
Loss allowance			
Trade receivables - credit impaired		1.70	11.36
Loss allowance		(1.70)	(11.36)
		-	-
Net trade receivables		328.66	92.39

Of the above, trade receivables from related parties are given in note 36
* refer note 32 for current assets hypothecated as security against bank borrowings

Trade receivables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	250.96	77.05	0.65	-	-	-	328.66
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	1.70	-	-	1.70
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	250.96	77.05	0.65	1.70	-	-	330.36

Trade receivables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – considered good	44.72	47.67	-	-	-	-	92.39
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	1.69	9.67	-	-	-	11.36
Disputed trade receivables – considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
	44.72	49.36	9.67	-	-	-	103.75

9 Financial assets - cash and cash equivalents*

Particulars		31 March 2024	31 March 2023
Cash and cash equivalents			
Balances with bank:			
Balances with bank - current account		1.67	-
Cash on hand		0.35	0.34
		2.02	0.34

* refer note 32 for current assets hypothecated as security against bank borrowings

10 Financial assets - loans*

Particulars		31 March 2024	31 March 2023
Current			
Other receivables		0.14	0.03
		0.14	0.03

* refer note 32 for current assets hypothecated as security against bank borrowings

11 Other current assets*

Particulars		31 March 2024	31 March 2023
Unsecured, considered good			
Advances other than capital advances			
Advance to suppliers		45.22	16.75
Others			
Balances with government authorities		223.08	153.07
Prepaid expenses		0.81	2.90
		269.11	172.72

* refer note 32 for current assets hypothecated as security against bank borrowings

12A Equity share capital

Particulars		31 March 2024	31 March 2023
Authorised shares			
11,000,000 equity shares of Rs. 10 each (31 March 2023: 2,000,000 equity shares of Rs. 10 each)		1,100.00	200.00
		1,100.00	200.00
Issued, subscribed and fully paid-up shares			
11,000,000 equity shares of Rs. 10 each (31 March 2023: 60,000 equity shares of Rs. 10 each)		1,100.00	60.00
Total issued, subscribed and fully paid-up share capital		1,100.00	60.00

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

Equity shares of Rs. 10 each issued, subscribed and fully paid	31 March 2024		31 March 2023	
	No. of shares	Amount	No. of shares	Amount
Opening balance	600,000	60.00	600,000	60.00
Shares issued during the year	10,400,000	1,040.00	-	-
Balance at the end of the year	11,000,000	1,100.00	600,000	60.00

b) Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of shareholding more than 5% shares in the Company

Name of the shareholder	31 March 2024		31 March 2023	
	% of Holding	No. of shares	% of Holding	No. of shares
Vaibhav Global Limited along with 6 nominees (Previous year: Vaibhav Global Limited along with 4	0.00%	110	100.00%	6

d) Shares holding of promoters

Shareholding of promoters as at 31 March 2024	31 March 2024		31 March 2023		% Change during the year
	% of Holding	No. of shares	% of Holding	No. of shares	
Vaibhav Global Limited along with its nominees	0.00%	110	100.00%	6	-100.00%

Shareholding of promoters as at 31 March 2023	31 March 2023		31 March 2022		% Change during the year
	% of Holding	No. of shares	% of Holding	No. of shares	
Vaibhav Global Limited along with 4 nominees	100.00%	6	99.99%	6	0.01%
Manoj Jain and Vandana Jain	0.00%	-	0.01%	0	-0.01%

e) Vaibhav Global Limited is the immediate holding company of the Company and Brett Enterprises Private Limited is the ultimate holding company.

f) There are no bonus shares, shares issued for consideration other than cash or shares bought back during the year/ previous period.

12B Other equity

Particulars	31 March 2024	31 March 2023
Reserves and surplus		
Retained earnings:		
Opening balance	(677.39)	(259.05)
Net loss for the year	(558.71)	(417.59)
Other comprehensive (loss)	(0.65)	(0.75)
Closing balance	(1,236.75)	(677.39)

12C Nature of reserve

a. Retained earnings

Retained earnings comprises of undistributed earnings after taxes.

13 Provisions

Particulars	Non-Current		Current	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Provision for employee benefits (refer note 29)				
Provision for gratuity	2.54	0.91	0.68	0.48
Provision for compensated absences	2.56	1.84	0.68	0.50
	5.10	2.75	1.36	0.98

14 Borrowings

Particulars	31 March 2024	31 March 2023
Loan repayable on demand from related parties		
Unsecured loan from immediate holding company (refer note 36)	500.00	1,024.00
Loan repayable on demand from bank		
Cash Credit (Secured)^	441.21	387.74
	941.21	1,411.74

Notes

Information about company exposure to interest rate foreign currency and liquidity risk is given in note 39

^ Nature of security:-

(i) Secured by charge on all the current assets viz inventories, book debts and all other current assets.

(ii) Further Secured, on pari-passu basis, by :-

a) First charge on plant and machinery and all movable assets of the Company

b) Corporate guarantee from the immediate holding company

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15 Trade payables	31 March 2024	31 March 2023
Particulars		
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note 30)	66.37	26.77
- Total outstanding dues of creditors other than micro enterprises and small enterprises	273.70	88.82
	340.07	115.59

Trade payables ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from the due date of payment					Total
	Not due	Less than 1 year				
		1-2 years	2-3 years	More than 3 years		
MSME	21.94	41.13	-	-	-	63.07
Others	213.91	59.79	-	-	-	273.70
Disputed dues - MSME	-	3.30	-	-	-	3.30
Disputed dues - others	-	-	-	-	-	-
	235.85	104.22	-	-	-	340.07

Trade payables ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from the due date of payment					Total
	Not due	Less than 1 year				
		1-2 years	2-3 years	More than 3 years		
MSME	26.77	-	-	-	-	26.77
Others	83.77	3.92	1.13	-	-	88.82
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-
	110.54	3.92	1.13	-	-	115.59

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16 Other financial liabilities		
Particulars	31 March 2024	31 March 2023
Employee benefit payables	1.11	0.39
Interest accrued but not due*	22.94	72.00
Other payables (refer note 36)	286.00	137.03
Book overdraft	48.33	32.04
	358.38	241.46
* includes payable to related parties (refer note 36)		
17 Other current liabilities		
Particulars	31 March 2024	31 March 2023
Statutory dues payable	5.86	4.79
Advance from customers*	5.26	1.45
	11.12	6.24
* includes advance from related parties (refer note 36)		
18 Revenue from operations		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Sale of products*	1,995.20	978.17
Sale of services	2.79	8.66
Other operating revenues	21.76	77.01
	2,019.75	1,063.84
*includes sales to related parties, refer note 36		
19 Other income		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Gain on foreign exchange difference (net)	6.52	23.88
Liabilities no longer required written back	0.90	0.57
Gain on Sale of Property Plant and Equipment (net)	-	2.53
Reversal of Provision for bad and doubtful debts	9.65	-
Miscellaneous income	4.02	0.10
	21.09	27.08
20 Cost of materials consumed		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening stock of raw material	228.14	186.35
Add: Purchases during the year	1,018.59	542.45
	1,246.73	728.80
Less: Closing stock of raw material	(225.37)	(228.14)
	1,021.36	500.66
21 Purchases of stock-in-trade		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Purchases of stock-in-trade*	116.99	136.44
	116.99	136.44
*includes purchases from related parties, refer note 36		
22 Changes in inventories of finished goods, stock-in-trade and work in progress		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Inventory at the beginning of the year/period		
Work in progress	28.69	46.77
Finished goods *	375.63	118.33
	404.32	165.10
Inventory at the end of the year/period		
Work in progress	339.83	28.69
Finished goods *	90.09	375.63
	429.92	404.32
	(25.60)	(239.22)

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Notes to financial statements for the year ended 31 March 2024

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* Finished goods includes goods purchased for re-sale, as both are stocked together

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23 Employee benefits expense		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salaries and wages	160.39	143.99
Share based payments to employees	3.01	0.45
Contribution to provident and other funds (refer note 29)	8.87	8.00
Staff welfare expenses	12.94	10.60
	185.21	163.04
24 Finance costs		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on financial liabilities measured at amortised cost*	113.79	84.73
Interest expense on lease liabilities	17.78	-
Other finance costs	10.95	11.05
	142.52	95.78
*includes interest on loan from related parties, refer note 36		
25 Depreciation and amortisation expense		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment (refer note 4A)	27.65	27.36
Depreciation of right-of-use asset (refer note 4B)	17.73	-
Amortisation of intangible assets (refer note 4C)	3.03	0.14
	48.41	27.50
26 Other expenses		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
a Manufacturing and direct expenses		
Job work charges	770.70	486.13
Stores and consumables	119.18	72.53
Power and fuel	34.78	23.08
Repair and maintenance- machinery	0.16	0.60
Other manufacturing and direct expenses	9.06	4.24
	933.88	586.58
b Administrative and selling expenses		
Packing and forwarding	63.33	99.53
Rent	-	30.84
Repairs and maintenance - others	13.38	15.91
Legal and professional fees (refer note 26A below)	30.53	30.79
Loss on sale of property, plant and equipment	-	-
Travelling and conveyance	6.75	6.66
Printing and stationery	5.93	5.99
Allowances for / write off doubtful debts and advances	0.17	11.62
Advertising and sales promotion	23.14	6.08
Security expenses	8.77	11.01
Information technology expenses	6.70	3.63
Postage and telephone	4.29	2.43
Insurance	0.54	0.56
Rates and taxes	1.03	3.38
Miscellaneous expenses	12.22	9.30
	176.78	237.73
	1,110.66	824.31
26A Payment to auditors		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As Auditor	4.00	9.00
For taxation matter	0.85	2.00
	4.85	11.00

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

27 Tax expense

(a) Tax expense charged to statement of profit or loss

Particulars	Year ended 31 March 2024	For the period 31 March 2023
Current tax	-	-
Deferred tax	-	-
	-	-

(b) Reconciliation of effective tax rate

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Loss before tax	(558.71)	(417.59)
Enacted tax rate	17.16%	17.16%
Tax expense as per statutory income tax rate	(95.87)	(71.66)
Less: Net tax impact on deduction/ disallowances in ascertaining taxable income as per Income Tax Act 1961	-	-
Less: Deferred tax asset not recognised (refer below note)	95.87	71.66
Income tax reported in statement of profit and loss and effective tax rate	-	-

As at 31 March 2024 and 31 March 2023, the Company has unabsorbed business losses and depreciation as per Income Tax Act, 1961. In the absence of probable certainty of sufficient future taxable profits, deferred tax assets has been recognised only to the extent of deferred tax liability.

(c) Tax losses and tax credits for which deferred tax assets was not recognised expire as follows:

Expire year	31 March 2024	31 March 2023
Business loss		
2028 - 29	11.57	11.57
2029 - 30	244.60	244.60
2030 - 31	413.12	413.12
2031 - 32	510.30	-

28 Loss per share

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
-------------	-----------------------------	-----------------------------

A Basic and diluted loss per share

The calculation of loss attributable to equity shareholders and weighted average numbers of equity shares outstanding for purpose of basic and diluted loss per share calculation are as follows-

i. Loss for the year/period, attributable to equity holders	(558.71)	(417.59)
ii. Weighted average number of equity shares for basic and diluted loss per share	6,044,932	600,000
Weighted average number of equity shares	6,044,932	600,000
iii. Basic and diluted loss per share	(9.24)	(69.60)

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)

Notes to financial statements for the year ended 31 March 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

29 Employee benefit obligation

A) Defined contribution plan

The Company has recognised the following amount in the statement of profit and loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Employer's contribution to employee's provident fund	5.56	5.80
Employer's contribution to employee's state insurance	0.72	0.52
	6.28	6.32

B) Defined benefit plan

(i) Gratuity

The Company has a defined benefit gratuity plan. Every employee gets a gratuity on retirement/termination/resignation at 15 days salary (last drawn salary) for each completed year of service. The scheme is managed on unfunded basis. The following tables summarize the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Details of actuarial valuation carried out on balance sheet date is as under:

a) Net benefit expense recognised in the statement of profit or loss:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Current service cost	2.49	1.58
Interest cost on benefit obligation (net)	0.10	0.09
Net benefit expenses	2.59	1.67

(b) Position of the assets and obligation

Particulars	31 March 2024	31 March 2023
Present value of the obligations	(4.18)	(2.28)
Fair value of plan assets	0.96	0.89
Liability recognised in balance sheet	(3.22)	(1.39)

(c) Changes in the defined benefit obligation and fair value of plan assets:

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

Particulars	Year ended 31 March 2024		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
Opening balance	2.28	0.89	1.39
Gratuity cost charged to profit or loss			
Service cost	2.49	-	2.49
Net interest expense	0.17	0.06	0.11
Benefits paid	(1.42)	-	(1.42)
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	-	-
Actuarial changes arising from changes in demographic assumptions	-	-	-
Actuarial changes arising from changes in financial assumptions	0.03	-	0.03
Experience adjustments	0.63	-	0.63
Contribution by employer	-	-	-
	4.18	0.96	3.22

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

29 Employee benefit obligation (continued)

Particulars	Year ended 31 March 2023		
	Defined benefit obligation	Fair value of plan assets	Benefit liability / (assets)
Opening balance	1.33		1.33
Gratuity cost charged to profit or loss			
Service cost	1.58	-	1.58
Net interest expense	0.09	-	0.09
Benefits paid	(1.36)	-	(1.36)
Remeasurement gains / (losses) in other comprehensive income			
Return on plan assets (excluding amounts included in net interest expense)	-	(0.11)	0.11
Actuarial changes arising from changes in demographic assumptions	(0.03)	-	(0.03)
Actuarial changes arising from changes in financial assumptions	0.05	-	0.05
Experience adjustments	0.62	-	0.62
Contribution by employer		1.00	(1.00)
	2.28	0.89	1.39

(d) The principal assumptions used in determining gratuity obligations for the Company's plan is shown below:

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate	7.15%	7.30%
Future salary increases	7.65%	7.65%
Retirement age (years)	60	60
Mortality rates inclusive of provision for disability (2012 - 14)	100% of IALM	100% of IALM
Employee turnover withdrawal rate (%)		
All ages	19.89%	19.89%

The estimates of future salary increases, considered in the actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) Sensitivity analysis

A quantitative sensitivity analysis for significant assumption as at 31 March 2024 and 31 March 2023 are shown as below:

Impact on defined benefit obligation	Year ended 31 March 2024	Year ended 31 March 2023
Discount rate		
Increase by 1%	(0.19)	(0.10)
Decrease by 1%	0.20	0.11
Future salary		
Increase by 1%	0.20	0.11
Decrease by 1%	(0.19)	(0.10)

Sensitivities due to mortality & withdrawals are insignificant. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

(f) Defined benefit liability and employer contribution:

Expected contributions to defined benefit obligation for the year ending 31 March 2024 is 5.96 lacs. The expected maturity analysis of defined benefit plan is as follows:

Particulars	31 March 2024	31 March 2023
Year		
- Within the next 12 months (next annual reporting period)	0.88	0.48
- Above 1 to 5 years	2.46	1.35
- Above 6 to 10 years	1.58	0.87
- More than 10 years	1.34	0.74
Total expected payments	6.26	3.44

The average duration of the defined benefit plan obligation at the end of the reporting period is 5 years .

(ii) Leave obligations

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The amount of the provision of Rs. 3.24 lacs (31 March 2023 : Rs. 2.34 lacs) is presented as current and non current. The Company has provided for the liability on the basis of actuarial valuation. Amount of Rs. 0.68 lacs (31 March 2023 : Rs. 0.49 lacs) has been classified as current whereas Rs. 2.56 lacs (31 March 2023 : Rs. 1.84 lacs) classified as non-current.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
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30 Dues to micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with their customers the Entrepreneurs Memorandum number as allocated after filing of the said Memorandum. Accordingly, the disclosures in below respect of the amounts payable to such enterprises as at the year end/period end has been made based on information received and available with the Company.

S. No.	Particulars	31 March 2024	31 March 2023
i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year; - Principal amount - Interest thereon	66.37 1.38	26.77 Nil
ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii)	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	1.38	Nil
v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	1.60	Nil

31 Commitments and contingencies

a) Commitments:

Particulars	31 March 2024	31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	1.00	4.00

b) The Company is required to comply with the transfer pricing regulations, which are contemporaneous in nature. The Company is in process of assessing whether transactions with associate enterprises undertaken during the current year, are on an arm's length basis. Adjustments, if any, arising from the transfer pricing studies will be accounted for when the study is completed for the current year. The management is of the opinion that its transactions with associates are at arm's length so that the outcome of the studies to corroborate compliance with legislation will not have any material adverse impact on the financial statements.

32 Assets hypothecated as security

The carrying amount of assets hypothecated as security for short term borrowings are as under:

Particulars	31 March 2024	31 March 2023
Non- current		
Property, plant and equipment (refer note 4A)	195.50	206.79
Total non-current assets hypothecated as security	195.50	206.79
Current assets	1,304.54	941.45
Total assets hypothecated as security	1,500.04	1,148.24

33 Segment reporting

The Company is engaged in business of lifestyle products, which constitute a single business segment, accordingly, disclosure requirements of Ind AS 108, "Operating Segments" are not required to be given.

We provide a significant volume of services to few customers. Therefore, a loss of a significant customer could materially reduce our revenues. The Company has following customers for the financial year ended March 31, 2024 that accounted for 10% or more of total revenue.

Particulars	31 March 2024	% of total revenue
Customer A	1,113.46	55.13%
Customer B	209.75	10.38%

34 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and the market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with the higher level of borrowings and the advantages and security afforded by a sound capital position. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing short term borrowing less cash and cash equivalents. Adjusted equity comprises of all components of equity. The Company's adjusted net debt to equity ratio as at 31 March 2024 and 31 March 2023 is as follows:

Particulars	31 March 2024	31 March 2023
Borrowings (refer note 14)	941.21	1,411.74
Cash and cash equivalents (refer note 9)	(2.02)	(0.34)

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
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Net debt	939.19	1,411.40
Equity share capital (refer note 12A)	1,100.00	60.00
Other equity (refer note 12B)	(1,236.75)	(677.39)
Equity	(136.75)	(617.39)
Net debt to equity ratio	-686.79%	-228.61%

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

- 41 The Company has made assessments of its liquidity position and of the recoverability of carrying values of its assets at balance sheet date. Basis of evaluation and based on current estimates management has concluded that no material adjustments is required in financial statements.

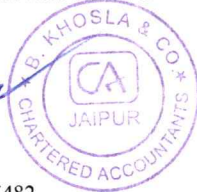
The Company has incurred a loss of Rs. 558.71 lacs during the current financial year and has accumulated losses of Rs. 136.75 lacs as at year end. The Company has received letter of support from holding Company to provide financial support to the Company as it necessary to ensure that the Company continue as a going concern basis for next one year from the date of the financial closure of the accounts of the Company. Accordingly, the Company has prepared these financial statements on a going concern basis.

As per our attached report of even date

For B. Khosla & Co.
Chartered Accountants

ICAI Firm's Registration No.: 000205C


Sandeep Mundra
Partner
Membership No. : 075482



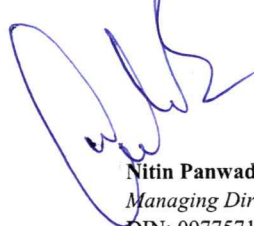
Place: Jaipur
Date: 21 May 2024

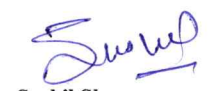
For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
Director
DIN: 08980903


Rupali Lalwani
Chief Financial Officer

Place: Jaipur
Date: 21 May 2024


Nitin Panwad
Managing Director
DIN: 09775716


Sushil Sharma
Company Secretary

ICSI Membership
No: F6535

Place: Jaipur
Date: 21 May 2024

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)

Notes to financial statements for the year ended 31 March 2024

(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

35 Other regulatory information

- (i) The Company does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property.
- (ii) The Company does not have transactions with companies that have been struck off.
- (iii) The Company does not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- (v) 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 Group (Ultimate Beneficiaries); or
 - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
 - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company does not have any immovable property whose title deeds are not held in the name of the Company.
- (ix) As per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, the Company is not a Core Investment Company (CIC) and the group does not have any CIC.
- (x) The Company has filed quarterly return/statement of current assets with the banks. Summary of reconciliation and reasons for material discrepancies as mentioned below

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/statement	(Excess)/ shortage	Whether return/statement subsequently rectified	Reason for discrepancies
June 2023	HDFC Bank	Inventories	534.10	628.63	(94.53)	No	1. Difference in inventory is due of period ending working of overhead allocation on inventories of WIP and finished goods;
		Trade receivables	411.00	112.69	298.31	No	
		Trade payables	184.63	37.32	147.32	No	
September 2023	HDFC Bank	Inventories	538.73	553.14	(14.42)	No	2. Only export receivable is provided in quarterly statement submitted to bank;
		Trade receivables	369.41	105.51	263.90	No	
		Trade payables	157.05	65.31	91.73	No	
December 2023	HDFC Bank	Inventories	680.86	683.66	(2.80)	No	3. Only trade payable related to apparels and tools is provided in quarterly statement submitted to bank.
		Trade receivables	473.44	49.81	423.63	No	
		Trade payables	371.03	81.42	289.61	No	
March 2024	HDFC Bank	Inventories	691.19	825.34	(134.15)	No	
		Trade receivables	328.66	22.79	305.87	No	
		Trade payables	340.07	93.61	246.46	No	

36 Related party transactions

Ultimate Holding Company

Brett Enterprises Private Limited

Immediate Holding Company

Vaibhav Global Limited

Non -Executive Directors

Mr. Vineet Ganeriwala (upto 04 November 2022)

Mr. Raj Kumar Singh

Mr. Nitin Panwad (w.e.f 04 November 2022)

Mr. Pushpendra Singh (w.e.f. 14 February 2022)

Fellow subsidiary entities

Shop TJC Limited, UK

Shop LC Global Inc., USA

Shop LC GmbH, Germany

STS Global Limited, Japan

Vaibhav Vistar Limited

Encase Packaging Private Limited

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

36 Related party transactions (Continued)

Details of material related party transactions and balances:

Particulars	Fellow subsidiary entities					
	Holding Company	Shop TJC Limited	Shop LC Global Inc.	STS Global Ltd Japan	Vaibhav Vistar Limited	Shop LC GmbH
Transactions during the Year ending 31 March 2024						
Sale of goods	2,634,787.50	19,475,777.44	9,947,088.03	-	-	-
Purchase of goods and capital assets	179,112.00	-	-	-	-	-
Expenses reimbursement (net)	13,885,242.00	-	-	-	-	-
Interest expenses	7,201,626.00	-	-	-	-	-
Issue of shares	104,000,000.00	-	-	-	-	-
Borrowing taken	60,100,000.00	-	-	-	-	-
Payment of lease liabilities	-	-	-	-	3,850,000.00	-
Repayment of borrowing	112,500,000.00	-	-	-	-	-
Guarantee commission paid	900,000.00	-	-	-	-	-
Transactions during the year ending 31 March 2023:						
Sale of goods	482,038.12	22,278,079.63	42,832,935.49	-	-	1,715,136.84
Purchase of goods	141,633.70	-	-	-	-	-
Expenses reimbursement	13,411,089.29	-	-	-	-	-
Interest expenses	6,113,704.00	-	-	-	-	-
Borrowing taken	72,100,000.00	-	-	-	-	-
Rent Paid	-	-	-	-	3,084,000.00	-
Repayment of borrowing	13,800,000.00	-	-	-	-	-
Guarantee commission paid	900,000.00	-	-	-	-	-
Particulars	Fellow subsidiary entities					
	Holding Company	Shop TJC Limited	Shop LC Global Inc.	Vaibhav Vistar Limited	Shop LC GmbH	
Balances as at year end						
31 March 2024:						
Amount receivable (net)	340,666.74	142,059.66	730,760.56	-	-	-
Trade payable(Net)	1,362,785.89	-	-	756,000.00	-	-
Other payable (net)	28,381,839.00	197,165.00	-	-	-	-
Advance from customer	-	-	-	-	438,543.36	-
Interest payable	2,155,471.00	-	-	-	-	-
Borrowings from immediate Holding Company	50,000,000.00	-	-	-	-	-
Balances as at year end						
31 March 2023:						
Advance from customer	-	123,962.90	-	-	-	-
Amount receivable (net)	-	-	417,082.22	-	-	1,421,409.52
Other payable (net)	13,411,089.29	-	-	-	-	-
Interest payable	7,200,062.00	-	-	-	-	-
Borrowings from immediate Holding Company	102,400,000.00	-	-	-	-	-

Note: The Immediate Holding Company has given corporate guarantee of Rs. 500.00 lacs as per the terms and conditions mentioned in sanction letter issued by the HDFC Bank Ltd. for the credit facilities obtained.
Subsequent to year end, the Immediate Holding Company has issued letter of support for financial assistance to the Company for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the Company for the year ended 31 March 2024.

Vaibhav Lifestyle Limited (CIN: U17299RJ2020PLC072409)
Notes to financial statements for the year ended 31 March 2024
(All amount in lacs of Indian Rupees, except share data and as stated otherwise)

37 Ratios

S.No. Ratio	2024	2023	Variation#
1 Return on equity (in %)			
Loss for the year (A)	(558.71)	(417.59)	
Equity share capital at the end of the year (B)	1,100.00	60.00	
Other equity at the end of the year (C)	(1,236.75)	(677.39)	
Total equity at the end of the year {(D) = (B) + (C)}	(136.75)	(617.39)	
Equity share capital at the beginning of the year (E)	60.00	60.00	
Other equity at the beginning of the year (F)	(677.39)	(259.05)	
Total equity at the beginning of the year {(G) = (E) + (F)}	(617.39)	(199.05)	
Average total equity* [(H) = {(D) + (G)}/2]	(377.07)	(408.22)	
Return on equity (in %) {A/H}	148.17%	102.29%	44.85%

Variation is primarily due to increase in level of operations of the Company during the current year as compared to previous year and share capital issued during the current year.

2 Trade receivables turnover ratio (in times)			
Revenue from operations (A)	2,019.75	1,063.84	
Trade receivables at the beginning of the year (B)	92.39	75.58	
Trade receivables at the end of the year (C)	328.66	92.39	
Average trade receivables* [(D) = {(B) + (C)}/2]	210.53	83.99	
Trade receivables turnover ratio (in times) {A/D}	9.59	12.67	-24.26%

3 Inventory turnover ratio (in times)			
Revenue from operations (A)	2,019.75	1,063.84	
Inventories at the beginning of the year (B)	659.11	377.35	
Inventories at the end of the year (C)	691.19	659.11	
Average inventory* [(D) = {(B) + (C)}/2]	675.15	518.23	
Inventory turnover ratio (in times) {A/D}	2.99	2.05	45.73%

Variation is primarily due to increase in level of operations of the Company during the current year

4 Current ratio (in times)			
Total current assets (A)	1,304.54	941.45	
Total current liabilities (B)	1,657.53	1,776.01	
Current ratio (in times) {A/B}	0.79	0.53	48.47%

Variation is primarily due to increase in trade receivables of the Company.

5 Net profit ratio (in %)			
Loss for the year (A)	(558.71)	(417.59)	
Revenue from operations (B)	2,019.75	1,063.84	
Net profit ratio (in %) {A/B}	-27.66%	-39.25%	-29.53%

Variation is primarily due to decrease in loss of the Company.

6 Net capital turnover ratio (in times)			
Revenue from operations (A)	2,019.75	1,063.84	
Total current assets (B)	1,304.54	941.45	
Total current liabilities (C)	1,657.53	1,776.01	
Working capital {(D) = (B) - (C)}	(352.99)	(834.56)	
Net capital turnover ratio (in times) {A/D}	(5.72)	(1.27)	348.87%

Variation is primarily due to increase in level of operations of the Company during the current year as compared to previous year and increase in trade receivables during the year.

7 Return on capital employed (in %)			
Loss after exceptional items before tax (A)	(558.71)	(417.59)	
Finance costs (B)	142.52	95.78	
Loss before tax and finance cost {(C) = (A) + (B)}	(416.19)	(321.81)	
Equity share capital (D)	1,100.00	60.00	
Other equity (E)	(1,236.75)	(677.39)	
Capital employed {(F) = (D) + (E)}	(136.75)	(617.39)	
Return on capital employed (in %) {C/F}	304.34%	52.12%	483.88%

Variation is primarily due to increase in share capital issued during the current year.

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37 Ratios (continued)

S.No.	Ratio	2024	2023	Variation#
8	Creditors turnover ratio (in times)			
	Cost of materials consumed (A)	1,021.36	500.66	
	Purchases of Stock-in-trade (B)	116.99	136.44	
	Add: Closing stock (C)	225.37	228.14	
	Less: Opening stock (D)	(228.14)	(186.35)	
	Other expenses (E)	1,110.66	824.31	
	Total purchases {(F) = (A) + (B) + (C) - (D) + (E)}	2,246.24	1,503.20	
	Trade payables at the beginning of the year (G)	115.59	134.78	
	Trade payables at the end of the year (H)	340.07	115.59	
	Average trade payables* [(I) = {(G) + (H)}/2]	227.83	125.19	
	Creditors turnover ratio (in times) {D/G}	9.86	12.01	-17.89%
9	Debt equity ratio (in %)			
	Borrowings (A)	941.21	1,411.74	
	Cash and cash equivalents (B)	2.02	0.34	
	Net debt {(C) = (A) - (B)}	939.19	1,411.40	
	Equity share capital (D)	1,100.00	60.00	
	Other equity (E)	(1,236.75)	(677.39)	
	Net equity {(F) = (D) + (E)}	(136.75)	(617.39)	
	Debt equity ratio (in %) {C/F}	-686.79%	-228.61%	200.43%
	Variation is primarily due to increase in share capital issued during the current year.			
10	Debt service coverage ratio (in times)			
	Loss for the year (A)	(558.71)	(417.59)	
	Depreciation and amortisation expense (B)	48.41	27.50	
	Interest expenses (C)	113.79	84.73	
	Earning available for debt services {(D) = (A) + (B) + (C)}	(396.51)	(305.36)	
	Interest expenses (E)	113.79	84.73	
	Principal repayments (F)	-	-	
	Debt service {(G) = (E) + (F)}	113.79	84.73	
	Debt service coverage ratio {D/G}	(3.48)	(3.60)	-3.31%
11	Return on investment (in times)*			
	Income generated from investments (A)	-	-	
	Total investments (B)	-	-	
	Return on investment (in times) {A/B}	-	-	0.00%

* Not applicable the Company does not holds any investments.

38 Fair value measurements**(i) Financial assets and liabilities:**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

As at 31 March 2024	Note No.	FVTPL	FVTOCI	Amortised cost	Total carrying value
Financial assets					
Cash and cash equivalents	9	-	-	2.02	2.02
Loans- current	10	-	-	0.14	0.14
Trade receivables	8	-	-	328.66	328.66
Other non current financial asset	5	-	-	0.12	0.12
Other current financial asset	5	-	-	13.42	13.42
		-	-	344.36	344.36
Financial liabilities					
Borrowings- current	14	-	-	941.21	941.21
Lease liabilities		-	-	192.06	192.06
Trade payables	15	-	-	340.07	340.07
Other financial liabilities	16	-	-	358.38	358.38
		-	-	1,831.72	1,831.72
As at 31 March 2023					
Financial assets					
Cash and cash equivalents	9	-	-	0.34	0.34
Loans- current	10	-	-	0.03	0.03
Trade receivables	8	-	-	92.39	92.39
Other non current financial asset	5	-	-	0.12	0.12
Other current financial asset	5	-	-	16.86	16.86
		-	-	109.74	109.74
Financial liabilities					
Borrowings- current	14	-	-	1,411.74	1,411.74
Trade payables	15	-	-	115.59	115.59
Other financial liabilities	16	-	-	241.46	241.46
		-	-	1,768.79	1,768.79

39 Financial risk management objective and policies

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 5,8,9,10,14,15 and 16.

Risk management framework

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

39 Financial risk management objective and policies (Contd..)

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. A monthly reporting system exists to inform senior management of investments, debt, currency and interest rate derivatives. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

Commodity price risk

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company sells its products mainly to its Group Companies whereby there is a regular negotiation / adjustment of prices on the basis of changes in the commodity prices.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(a) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company is not able to generate sufficient cash flows from the current operations and therefore obtained short term borrowings from the Immediate Holding Company.

Financial liabilities	As at 31 March 2024			Total
	< 1 year	1-3 Years	> 3 Years	
Current borrowings	941.21	-	-	941.21
Lease liabilities	5.39	15.90	170.77	192.06
Trade and other payables	340.07	-	-	340.07
Other financials liabilities	358.38	-	-	358.38
Total	1,645.05	15.90	170.77	1,831.72

Financial liabilities	As at 31 March 2023			Total
	< 1 year	1-3 Years	> 3 Years	
Current borrowings	1,411.74	-	-	1,411.74
Trade and other payables	115.59	-	-	115.59
Other financials liabilities	241.46	-	-	241.46
Total	1,768.79	-	-	1,768.79

Collateral

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.

(b) Foreign exchange risk

The Company operates internationally and exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US dollar and GBP. The Company is subject to the risk that changes in foreign currency values impact the Company exports revenue.

The exchange rate between Indian Rupee and foreign currencies has impact on results of the Company's operations. Consequently, the results of the Company's operations get effected as the Rupee appreciates/depreciates against these foreign currencies.

Particulars	31 March 2023		
	USD	GBP	EURO
Financial assets	730,760.56	142,059.66	-

Particulars	31 March 2023		
	USD	GBP	EURO
Financial assets	417,082.22	-	1,421,409.52

Foreign currency sensitivity

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the currencies by 5% against the functional currency of the Company. A 5% appreciation / depreciation of the respective foreign currencies with respect to the functional currency would result in net decrease / increase in the Company's profit or loss and equity for the fiscal year 2024 and 2023 by Rs0.44 lacs and Rs. 0.92 lacs.

39 Financial risk management objective and policies (Contd..)

(c) Interest rate risk

The Company is exposed to interest rate risk on short-term rate instruments. The borrowings of the Company are principally denominated in US dollars with floating rates of interest. The debt is of floating rates linked to LIBOR. These exposures are reviewed by appropriate levels of management on a monthly basis.

The exposure of the Company's financial liabilities as at balance sheet date to interest rate risk is as follows:

Particulars	31 March 2024	31 March 2023
Floating rate financial liabilities	441.21	387.74

The table below illustrates the impact of a 0.5% to 1.50% movement in interest rates on interest expense on loans and borrowings. The risk estimate provided assumes that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

Movement in interest rates	Year ended 31 March 2024	Year ended 31 March 2023
0.50%	2.21	1.94
1%	4.41	3.88
1.50%	6.62	5.82

(d) Counterparty and concentration of credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables), deposits with banks, short term investments, foreign exchange transactions and other financial assets. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Trade Receivable

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are wholesale or end-user customer, their geographic location, trade history with the Company. An impairment analysis is performed on an individual basis for customers. The calculation is based on historical experience/ current facts available in relation to default and delays in collection thereof.

Concentration of credit risk with respect to trade receivables are limited. The management historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. Refer note 8 for exposure to trade receivables and note 3 for accounting policy on financial instruments.

Financial assets other than trade receivables

With regards to other financial assets with contractual cash flows other than trade receivable, management believes these to be high quality assets with negligible credit risk. The management believes that the parties from which these financial assets are recoverable, have strong capacity to meet the obligations and where the risk of default is negligible and accordingly no provision for excepted credit loss has been provided on these financial assets. Defined limits are in place for exposure to individual counterparties in case of mutual funds schemes. The carrying value of other financial assets other than cash and bank represents the maximum credit exposure.

40 Figures for the previous year has been regrouped/reclassified wherever necessary to confirm current year classification/presentation.

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41 The Company has made assessments of its liquidity position and of the recoverability of carrying values of its assets at balance sheet date. Basis of evaluation and based on current estimates management has concluded that no material adjustments is required in financial statements.

The Company has incurred a loss of Rs. 558.71 lacs during the current financial year and has accumulated losses of Rs. 136.75 lacs as at year end. The Company has received letter of support from holding Company to provide financial support to the Company as it necessary to ensure that the Company continue as a going concern basis for next one year from the date of the financial closure of the accounts of the Company. Accordingly, the Company has prepared these financial statements on a going concern basis.

As per our attached report of even date

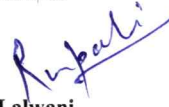
For B. Khosla & Co.
Chartered Accountants
ICAI Firm's Registration No.: 000205C



Sandeep Mundra
Partner
Membership No. : 075482



For and on behalf of the Board of Directors of
Vaibhav Lifestyle Limited


Rajkumar Singh
Director
DIN: 08980903


Rupali Lalwani
Chief Financial Officer


Nithin Panwad
Managing Director
DIN: 09775716


Sushil Sharma
Company Secretary
ICSI Membership
No: F6535

Place: Jaipur
Date: 21 May 2024

Place: Jaipur
Date: 21 May 2024

Place: Jaipur
Date: 21 May 2024