

Independent Auditors Report

To the Members of Oriflame India Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Oriflame India Private Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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

Registered Office:



Independent Auditor's Report (Continued)

Oriflame India Private Limited

judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Independent Auditor's Report (Continued).

Oriflame India Private Limited

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those except that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis.
 - c. The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 33 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39(C) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 39(D) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

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Independent Auditor's Report (*Continued*)

Oriflame India Private Limited

- Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, however, the feature of recording audit trail (edit log) facility has not been enabled. Consequently, we are unable to comment on audit trail feature of the said software.

Further, In respect of the accounting software used for maintaining the books of account relating to payroll, which is operated by a third party software service provider, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of the service organisation, we are unable to comment whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature having been tampered with.

- C. 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, the Company is not a public company. Accordingly, the provisions of Section 197 of the Act are not applicable to the Company. 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.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022


Shweta Kumar

Partner

Place: Gurugram

Date: 30 September 2024

Membership No.: 509822

ICAI UDIN:24509822BKHRGG3613

Annexure A to the Independent Auditor's Report on the Financial Statements of Oriflame India Private Limited for the year ended 31 March 2024

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

- (i) (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.
- (i) (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 every year. In accordance with this programme, all 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 material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) 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 revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) 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 proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit has been physically verified by the management during the year. 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 our 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 institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (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. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments 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 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not

Annexure A to the Independent Auditor's Report on the Financial Statements of Oriflame India Private Limited for the year ended 31 March 2024 (Continued)

prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, except for slight delays in case of GST and Provident Fund. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 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, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Advance licenses	1,917.92	43.24	FY 2006 to FY 2009	The Commissioner Appeals, New Delhi
Central Excise Act, 1944	Excise	58.91	14.73	FY 2013-14	The Central Excise and Service Tax Appellate Tribunal, Maharashtra
Income Tax Act, 1961	Income Tax	43.51	-	FY 2008-09	Income Tax Department
Income Tax Act, 1961	Income Tax	1,734.97	420.53	FY 2019-20 and FY 2020-21	Assessment Unit, Income Tax Department
GST Act, 2017	Goods and Services Tax	247.32	-	FY 2017-18	Additional Commissioner of Central Tax, West Bengal
GST Act, 2017	Goods and Services	585.95	-	FY 2017-18 and 2018-19	Assistant Commissioner

Annexure A to the Independent Auditor's Report on the Financial Statements of Oriflame India Private Limited for the year ended 31 March 2024 (*Continued*)

Name of the statute	Nature of the dues	Amount (Rs. In lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
	Tax				(DGST) Delhi
GST Act, 2017	Goods and Services Tax	4,179.48	-	FY 2018-19	Assistant Commissioner (AGST) Assam

- (viii) 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (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 not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil



Annexure A to the Independent Auditor's Report on the Financial Statements of Oriflame India Private Limited for the year ended 31 March 2024 (Continued)

- mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs 1,526.40 lakhs in the current financial year however, no cash loss was incurred in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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 are not applicable to the

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B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements
of Oriflame India Private Limited for the year ended 31 March 2024 (Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Shweta Kumar

Partner

Place: Gurugram

Date: 30 September 2024

Membership No.: 509822

ICAI UDIN:24509822BKHRGG3613

Annexure B to the Independent Auditor's Report on the financial statements of Oriflame India Private Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Oriflame India Private Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

B S R & Co. LLP

Annexure B to the Independent Auditor's Report on the financial statements of Oriflame India Private Limited for the year ended 31 March 2024 (Continued)

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022


Shweta Kumar

Partner

Place: Gurugram

Membership No.: 509822

Date: 30 September 2024

ICAI UDIN:24509822BKHRGG3613

Oriflame India Private Limited
Delhi, India

Financial Statements for year 2023-24

Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

BALANCE SHEET AS AT 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	Note No	As at 31 March, 2024	As at 31 March, 2023
I EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	7,989.82	7,989.82
(b) Reserves and surplus	4	35.90	2,323.42
		<u>8,025.52</u>	<u>10,313.04</u>
(2) Non-current liabilities			
(a) Long term provisions	5	918.61	1,060.51
		<u>918.61</u>	<u>1,060.51</u>
(3) Current liabilities			
(a) Trade payables	6		
(i) -total outstanding dues of micro enterprises and small enterprises		57.30	45.24
(ii) -total outstanding dues of creditors other than micro enterprises and small enterprises		13,618.74	11,387.37
(b) Other current liabilities	7	1,568.35	1,598.87
(c) Short-term provisions	8	798.96	646.55
		<u>16,043.35</u>	<u>13,678.03</u>
Total Equity and Liabilities		<u>24,987.48</u>	<u>25,051.58</u>
II ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, plant and equipment	9(a)	4,267.88	4,681.01
(ii) Intangible assets	9(b)	-	19.36
(iii) Capital work-in-progress	9(c)	-	144.00
(b) Deferred tax assets (net)	10	2,265.95	1,837.39
(c) Long term loans and advances	11	1,410.32	1,255.17
(d) Other non-current assets	12	731.63	786.32
		<u>8,675.78</u>	<u>8,723.25</u>
(2) Current assets			
(a) Inventories	13	6,458.39	10,552.00
(b) Trade receivables	14	1,665.69	2,178.59
(c) Cash and bank balances	15	5,634.94	1,666.46
(d) Short term loans and advances	16	2,342.16	1,873.09
(e) Other current assets	17	210.52	58.19
		<u>16,311.70</u>	<u>16,328.33</u>
Total Assets		<u>24,987.48</u>	<u>25,051.58</u>

Summary of significant accounting policies

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The accompanying notes 1 to 39 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Regn.No.101248WW-100022

Shweta

Shweta Kumar

Partner

Membership No. 509822

Place : Gurugram

Date : 30/09/2024

For and on behalf of the Board of Directors of
Oriflame India Private Limited

[Signature]

Edyta Bogumila Kurek

Managing Director

DIN: 10558322

[Signature]

Subramanian S

Wholtime Director

DIN: 03208240



Jigyasa Gulati

Company Secretary

Membership No. A33052

Place: New Delhi

Date: 30/09/2024

Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	Note No	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Income:			
Revenue from operations	18	43,515.08	50,804.10
Other Income	19	163.16	394.83
Total Income		43,678.24	51,198.93
Expenses:			
Cost of materials consumed	20	7,997.65	8,877.67
Purchases of Stock-in-trade	21	5,540.20	9,374.34
Changes in inventories of finished goods, work in progress and stock-in-trade	22	3,682.20	(1,150.19)
Employee benefits expense	23	5,141.62	5,079.66
Finance costs	24	1.27	3.49
Depreciation and amortization expense	25	706.25	763.81
Other expenses	26	23,327.95	28,538.77
Total Expenses		46,397.14	51,487.55
Profit/(Loss) before tax		(2,718.90)	(288.62)
Tax expense			
Current tax		-	104.60
Current tax for earlier years		-	(1.40)
Deferred tax	10	(431.38)	(116.73)
Profit/(Loss) after tax for the year		(2,287.52)	(275.09)
Earnings per equity share: in Rs.			
Basic (par value of Rs.10 per share (31 March 2023- Rs.10 per share))	31	(2.86)	(0.34)
Diluted (par value of Rs.10 per share (31 March 2023- Rs.10 per share))		(2.86)	(0.34)

Summary of significant accounting policies 2

The accompanying notes 1 to 39 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP


Chartered Accountants

ICAI Firm Regn.No.101248WW-100022

For and on behalf of the Board of Directors of
Oriflame India Private Limited
Shweta Kumar

Partner

Membership No. 509822


Edyta Bogumila Kurek

Managing Director

DIN: 10558322


Subramanian S

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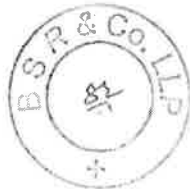
Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax	(2,718.90)	(288.62)
Adjustments for :		
Depreciation and amortisation	706.25	763.81
Gain on sale of Property, Plant and Equipment (net)	(28.81)	(12.45)
Provision for gratuity	-	2.50
Bad debt written off	621.83	13.21
Security deposits written off	2.81	12.67
Inventory written off	91.02	95.98
Interest due on MSME	1.27	3.49
Interest income	(9.84)	(19.78)
Provision for obsolete/ slow moving inventory	486.25	767.92
Net loss on foreign exchange transactions	(90.91)	(219.75)
Provision for litigations	-	100.00
Liabilities no longer required written back	(33.60)	(129.80)
Lease equalisation reserve	32.22	18.36
Total A	1,778.49	1,396.16
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(940.41)	1,107.54
Adjustments for :		
(Decrease)/Increase in other liabilities and provisions	2,215.70	1,831.44
Decrease in loans and advances and other assets	(426.20)	(751.15)
(Increase)/Decrease in trade receivable	(4.73)	(190.32)
(Increase)/Decrease in inventories	3,516.34	(1,763.92)
CASH GENERATED FROM OPERATING ACTIVITIES	4,360.70	233.59
Direct taxes paid (net of refunds)	(132.00)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	4,228.70	233.59
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment (including capital advances, capital creditors and Capital Work In Progress)	(138.84)	(462.98)
Proceeds from sale of property, plant and equipment	35.24	22.58
Interest received	8.24	18.74
Increase/(Decrease) in fixed deposits (net)	(1.00)	(0.60)
NET CASH USED IN INVESTING ACTIVITIES (B)	(96.36)	(422.26)
C CASH FLOW FROM FINANCING ACTIVITIES		
NET DECREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	4,132.34	(188.67)
Cash and Cash Equivalents at the Beginning of the Year	1,502.60	1,691.27
Cash and Cash Equivalents at the End of the Year	5,634.94	1,502.60



Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Components of Cash and Cash Equivalents at the End of the Year		
- Cash in hand	-	2.16
- Balance with online payment gateway	402.23	347.29
- In current accounts	1,482.86	1,062.04
- In EEFC Accounts	349.85	91.11
- in deposits with original maturity of 3 months	3,400.00	-
Total	5,634.94	1,502.60

Note: The Cash Flow has been prepared in accordance with the indirect Method as set out in the Accounting Standard (AS) - 3 on 'CashFlow Statement', Cash Flow Statements as notified under Section 133 of the Companies Act 2013, read with the relevant rules thereunder.

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Regn.No.101248W/W-100022


Shweta Kumar

Partner

Membership No. 509822

Place : Gurugram

Date : 30/09/2024

**For and on behalf of the Board of Directors of
Oriflame India Private Limited**


Edyta Bogumila Kurek
Managing Director
DIN: 10558324


Subramanian S
Wholetime Director
DIN: 03208240


Jigyasa Gulati

Company Secretary

Membership No. A33052

Place: New Delhi

Date: 30/09/2024

Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

1 Background

Oriflame India Private Limited (The Company) is engaged in the business of trading manufacturing and selling beauty and wellness products. The Company was incorporated in 1994 under the erstwhile Companies Act, 1956 as a private limited company having its registered office in New Delhi. The Company is a subsidiary of Oriflame Investments Limited, Mauritius and Oriflame Partners Limited, Jersey, is the ultimate holding company.

2 Summary of Significant accounting policies

i) Basis of preparation of financial statements

The financial statements of the Company are prepared on a going concern basis under the historical cost convention on the accrual basis of accounting, in accordance with the Generally Accepted Accounting Principles in India ("GAAP") and comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (Act), read with Rule 3 of the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Act. The financial statements are presented in Indian rupees, rounded off to lakhs. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

ii) Use of going concern assumption

Management makes an assessment of an entity's ability to continue as a going concern while preparing these financial statements. Financial statements are prepared on a going concern basis unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so. When management is aware, in making its assessment, of material uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern, those uncertainties are disclosed. The management is confident that the Company will meet its obligations as they fall due, at least for a period of 12 months after the balance sheet date and accordingly, these financial statements have been prepared on a going concern basis.

iii) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities and disclosure of contingent liabilities at the date of the financial statements and the income and expenses for the year. Actual results could however, differ from these estimates. Any revision to accounting estimates are recognised prospectively in the periods, in which actual results materialise.

iv) Current/Non-Current classification

All assets and liabilities are classified into current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Company, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

v) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue from the sale of goods is recognised at the time of dispatch/delivery/handover of goods to customers which coincides with transfer of risks and rewards. Revenues are stated net of returns, taxes on sale, and discounts.

Revenue from sales of services

Revenue from sales of services is recognized when the services are rendered to customers.

Interest on fixed deposits

Interest income is recognized on a time proportionate basis taking into account the amount outstanding and applicable rate of interest.

Export incentives

The Company makes export sales under Duty Drawback Scheme under the Export Import Policy of Government of India. The Company recognises income in respect of entitlement under Duty Drawback Scheme at the time of recognition of export sales.

vi) Property, Plant and Equipment and Intangible assets

Property, Plant and Equipment

Property, Plant and Equipment are carried at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; Any



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

Trade discounts and rebates are deducted in arriving at the purchase price

Subsequent expenditures related to an item of Property, Plant and Equipment are added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

A Property, Plant and Equipment is eliminated from the financial statements on disposal or when no further economic benefit is expected from its use and disposal.

Gains or losses arising from retirement or disposal of Property, Plant and Equipment which are carried at cost are recognised in the Statement of Profit and Loss.

Intangible assets

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Losses arising from retirement and gains or losses arising from disposal 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.

vii) **Depreciation and amortization***Property, Plant and Equipment*

Depreciation on property, plant and equipment is provided on pro rata basis to the period of use on the straight-line method i.e. from the date on which the asset is ready for use, over its estimated useful lives as determined by the management.

Category of assets (Estimated Useful Life (in years))

Buildings [30]

Tools and Moulds # [3]

Plant and machinery # [3 to 15]

Office equipment # [5]

Computers # [3]

Furniture and fixtures # [5]

Vehicles # [5]

For the above class of assets, based on internal assessment and independent technical evaluation carried out by external expert. The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the revised remaining useful life.

The cost of leasehold improvements is being amortised over the period of lease or five years, whichever is shorter.

Assets costing upto Rs. 5,000 are fully depreciated in the year of purchase.

Intangible Assets

Amortization to Intangible assets is provided on pro-rata basis from the date the assets are ready for intended use over its estimated useful life. Amortization on sale/retirement of Intangible assets is provided for up to the date of retirement of Intangible assets.

Category of assets (Estimated Useful Life (in years))

Software licenses [4 to 5]

viii) **Impairment**

The carrying values of property, plant and equipment and intangible assets are reviewed at each reporting date to determine if there is indication of any impairment. If any indication exists, the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or the Company's cash generating unit exceeds its recoverable amount and is recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

ix) **Foreign currency transactions and translations**

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, are translated at year end rates. The resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.

(x) **Inventories**

Inventories are valued at lower of cost and net realizable value. The cost comprises purchase price of inventories plus the cost of bringing the inventories to their present location and condition. The basis of determination cost for various categories of inventory is as follows:

Raw materials:

Raw materials are valued at lower of cost and net realisable value. The cost of raw material is determined on first in first out (FIFO) basis.

Work in progress:

Work in progress is valued at lower of cost and net realisable value. The cost includes raw material value determined on FIFO basis and production overheads apportioned on the basis of stage of completion.

Finished goods:

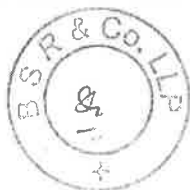
Manufactured finished goods: Manufactured finished goods are valued at the lower of cost and net realisable value. The cost of manufactured finished goods includes raw material value determined on FIFO basis and production overheads.

Stock-in-trade:

Traded finished goods: Traded finished goods are valued at the lower of cost and net realisable value. The cost of traded finished goods is determined on FIFO basis.

(xi) **Employee benefits****Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering service are classified as short-term employee benefits. Benefits such as salaries, allowances, short-term compensated absences and the expected cost of other benefits is recognised in the period in



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

which the employee renders the related service.

Defined contribution plan:

Provident fund

The Company's provident fund scheme is a defined contribution plan. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions and will have no obligation to pay further amounts. Obligations for contributions to defined contribution plans are paid to the Regional Provident Fund Commissioner and are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due.

Superannuation fund

Retirement benefits in the form of Superannuation Fund (funded through LIC) are funded defined contributions schemes and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable.

Defined benefit plan:

Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the LIC. Contributions are made by the Company to the LIC based on actuarial valuation of obligation as at 31 March every year conducted by the LIC. Such contributions paid during the year have been charged to the Statement of Profit and Loss on accrual basis. The Company also carries out an actuarial valuation conducted by an independent actuary as at 31 March every year for company as a whole. Any incremental value of obligation, as compared with the obligation determined by the LIC is charged to the Statement of Profit and Loss.

The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

Other long term benefits

Cost of long term benefit by way of accumulating compensated absences arising during the tenure of the service is calculated taking into account the pattern of availment of leave. In respect of encashment of leave, the defined benefit is calculated taking into account all types of decrements and qualifying salary projected up to the assumed date of encashment. The present value of obligations under such long term benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method as at year end.

Treatment of actuarial gains and losses

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs.

(xii) **Operating leases (as a lessee)**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight line basis.

(xiii) **Taxation**

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with prevailing income-tax laws) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). The deferred tax charge or credit and the corresponding deferred tax liabilities and/or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and written down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

(xiv) **Provisions, contingent liabilities and contingent assets**

Provisions:

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the obligation at the Balance Sheet date. The provisions are measured on an undiscounted basis.

Contingent Liabilities:

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets:

Contingent assets are not recognized in the financial statements. However, contingent asset are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(xv) **Cash and cash equivalents**

For Cash Flow Statement, cash and cash equivalents comprise cash on hand, balance with bank, and deposits with bank with maturity period of three months or less from the date of investment.

(xvi) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.



Oriflame India Private Limited

CIN :- U74899DI 1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	As at	As at
	31 March, 2024	31 March, 2023
3. SHARE CAPITAL.		
Authorised		
85,000,000 (31 March 2023-85,000,000) Equity Shares of Rs. 10 each,	8,500.00	8,500.00
Issued, Subscribed and Paid-Up		
79,896,216 (31 March 2023-79,896,216) Equity Shares of Rs.10 each (fully paid up).	7,989.62	7,989.62
Total	7,989.62	7,989.62

3(a) Reconciliation of equity shares outstanding at the beginning and at the year end

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No Of Shares	Amount	No Of Shares	Amount
At the beginning and at the end of the year	79,896,216	7,989.62	79,896,216	7,989.62

3 (b) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

3(c) Details of shareholders holding more than 5% shares of the Company and shares held by the holding/ ultimate holding company and/or their subsidiaries as at 31 March 2024 and as at 31 March 2023 are set out below:

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	No Of Shares	% Of Holding	No Of Shares	% Of Holding
Equity shares of Rs. 10 each fully paid up held by				
Oriflame Investments Limited, Mauritius (holding company)	79,896,215	99.99	79,896,215	99.99
Oriflame Cosmetics Global S.A., Luxembourg (fellow subsidiary)	1	0.01	1	0.01
Total	79,896,216	100.00	79,896,216	100.00

3(d) No class of shares have been issued as bonus shares or shares issued for consideration other than cash during the period of five years immediately preceding the reporting date.

3(e) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

3(f) There were no securities convertible into equity/preference shares issued/outstanding as at 31 March, 2024 and 31 March 2023.

3(g) There were no calls unpaid (in aggregate value) as at 31 March, 2024 and 31 March 2023.

3(h) There were no forfeited shares as at 31 March, 2024 and 31 March 2023.



Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

3(i) No shares are reserved for issue under options or contracts/commitments for the sale of shares/disinvestment.

3(j) Shares held by promoters at the end of the year

Sr No	Promoters Name	As at 31 March, 2024		As at 31 March, 2023		% of change during the year
		Number of Shares	% of total shares	Number of Shares	% of total shares	
1	Oriflame Investments Limited, Mauritius	79,896,215	99.99%	79,896,215	99.99%	0.00%
2	Oriflame Cosmetics Global S.A., Luxembourg	1	0.01%	1	0.01%	0.00%
	Total	79,896,216	100.00%	79,896,216	100.00%	0.00%

Sr No	Promoters Name	As on 31st March 2023		As on 31st March 2022		% of change during the year
		Number of Shares	% of total shares	Number of Shares	% of total shares	
1	Oriflame Investments Limited, Mauritius	79,896,215	99.99%	79,896,215	99.99%	0.00%
2	Oriflame Cosmetics Global S.A., Luxembourg	1	0.01%	1	0.01%	0.00%
	Total	79,896,216	100.00%	79,896,216	100.00%	0.00%

Particulars	As at 31 March, 2024	As at 31 March, 2023
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4. RESERVES AND SURPLUS

Surplus in Statement of Profit and Loss

At the beginning of the year	2,323.42	2,598.51
Add: Profit/(Loss) for the year	(2,287.52)	(275.09)
At the end of the year	<u>35.90</u>	<u>2,323.42</u>

5. LONG TERM PROVISIONS

Provision for employee benefits

Provision for gratuity (Refer note 5 B)	274.22	256.57
Provision for compensated absences (Refer note 5 C)	394.54	441.69
Total Provision for Employee Benefits	<u>668.76</u>	<u>698.26</u>

Other long term provisions

Lease equalisation reserve	249.85	362.25
Total Other Provisions	<u>249.85</u>	<u>362.25</u>

Total	<u>918.61</u>	<u>1,060.51</u>
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Disclosures pursuant to AS-15(revised in 2005), "Employee Benefits":

5A) Defined contribution plans

- Contribution to Provident Fund	260.74	255.45
- Contribution to Employees State Insurance Fund	7.97	9.14
Total	<u>268.71</u>	<u>264.59</u>

5B) Defined benefit plans



Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

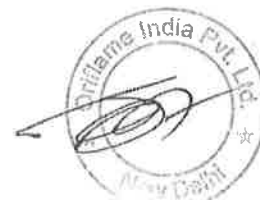
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Gratuity Plan

The Company operates a gratuity plan wherein eligible employees are entitled to the benefit equivalent to 15 days last drawn monthly basic salary for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement or separation or death or permanent disablement in terms of the provisions of the Payment of Gratuity Act.

Sr.No	Particulars	Gratuity (Funded)	
		As at 31 March, 2024	As at 31 March, 2023
(a) Principal Actuarial assumptions:			
1	Mortality table	IALM (2006-08)	IALM (2006-08)
2	Discount rate (per annum)*	7.00%	7.20%
3	Expected rate of return on plan assets (per annum)	7.00%	7.00%
4	Salaries growth rate (per annum)	8.00%	8.00%
5	Retirement age (years)	60 Years	60 Years
6	Withdrawal rate	0	0
	–Up to 30 years:	15.00%	15.00%
	–31-44 years:	10.00%	10.00%
	–above 44 years:	5.00%	5.00%
(b) Change in Present Value of Defined Benefit Obligations:			
1	Present value of obligation as at the beginning of the year	992.85	1,021.26
2	Interest cost	67.29	65.95
3	Current Service cost	98.55	109.66
4	Past Service Cost	-	-
5	Benefits paid	(116.45)	(131.00)
6	Actuarial Gain (includes Plan Amendment Cost/(Credit))	(67.42)	(73.01)
7	Present value of obligation as at the end of year	974.83	992.85
(c) Change in Fair Value of Plan Assets:			
1	Fair value of plan assets as at beginning of the period	736.28	772.04
2	Expected return on plan assets	48.45	52.85
3	Contributions by the company	28.29	44.89
4	Benefits paid	(116.45)	(131.00)
5	Actual Gain / (Loss)	4.02	(2.50)
6	Fair value of plan assets as at the end of year	700.59	736.28
(d) Amount Recognised in the Balance Sheet:			
1	Present value of Obligations at end of year	974.83	992.85
2	Less: Fair value of plan assets as at the end of the year	700.61	736.28
3	Net liability recognized in Balance Sheet	(274.23)	(256.57)
4	Amount classified as : non-current provisions	(274.23)	(256.57)
(e) Expenses recognized in profit and loss account:			
1	Current service cost	98.55	109.66
2	Past Service Cost	-	-
3	Interest cost	67.29	65.95
4	Expected return on plan assets	(48.45)	(52.85)
5	Net actuarial gain recognised in the period	(71.44)	(70.51)
6	Expense recognized in the statement of profit and losses (note 23)	45.95	52.24



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

* The discount rate is based upon the prevailing market yield of government bonds as at the Balance Sheet date for the estimated term of the obligation and the estimates of future entry increases considered taking into account the inflation, seniority, promotion and other relevant factors.

The Company makes annual contribution to Life Insurance Corporation (LIC) w.r.t. its plan assets, composition of plan assets are scheme of insurance-conventional products

(f) Experience of actuarial gain/(loss) for projected benefit obligation and plan asset

Particulars	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020
Present value of obligation as the end of the year	(974.83)	(892.85)	(1,021.26)	(975.54)	(994.41)
Fair value of plan assets as at the end of the year	700.61	736.28	772.04	716.55	738.33
Net liabilities	(274.22)	(256.57)	(249.22)	(258.99)	(256.08)
Experience adjustment on plan liabilities (loss)/gain	81.32	49.67	26.74	24.18	5.41
Experience adjustment on plan assets (loss)/gain	4.02	(2.50)	(3.35)	(10.12)	(8.87)
Actuarial (loss)/gain on change in assumption	(13.91)	23.34	25.75	(8.29)	(58.54)

5C: Other long term benefit (Compensated absences)

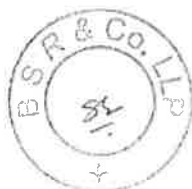
The Company operates compensated absences plan, where in every employee is entitled to the benefit equivalent to 30 days leave salary for every completed year of service subject to maximum of 90 days accumulation of leaves. The salary for calculation of earned leave is last drawn basic salary. The same is payable during the service, early retirement, withdrawal of scheme, resignation by employee and upon death of employee.

An actuarial valuation of compensated absences has been carried out by an independent actuary on the basis of the following assumptions:

Assumptions	As at 31 March, 2024	As at 31 March, 2023
Discount rate	7.00% p.a.	7.20% p.a.
Availment rate	1.50% p.a.	1.50% p.a.
Salary escalation rate	8.00% p.a.	8.00% p.a.

Compensated absences

Particulars	As at 31 March, 2024	As at 31 March, 2023
Present value of Compensated absences at the year end	440.13	493.31
	440.13	493.31



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(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	As at	As at
	31 March, 2024	31 March, 2023
6. TRADE PAYABLES		
6(a) -TOTAL OUTSTANDING DUES OF MICRO ENTERPRISES AND SMALL ENTERPRISES		
Refer note 6.1	57.30	45.24
6(b) -TOTAL OUTSTANDING DUES OF CREDITORS OTHER THAN MICRO ENTERPRISES AND SMALL ENTERPRISES		
Refer note 6.2	13,618.74	11,387.37
Total	13,676.04	11,432.61

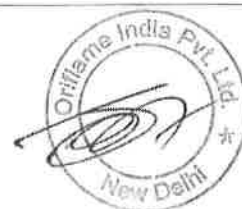
6.1 Disclosure in relation to dues of Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	As at 31 March, 2024	As at 31 March, 2023
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year:		
a) Principal amount due to micro and small enterprises at the year end	57.30	45.24
b) Interest due on above	0.01	NIL
(ii) The amount of interest paid by the buyer under MSME act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during which 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 MSME Act, 2006 not paid)	1.26	3.49
iv) The amount of interest accrued and remaining unpaid at the end of accounting year; and	103.86	102.59
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 of MSME Act 2006.	103.86	102.59

6.2 Includes payable to related party (refer note 36c)

6.3 Trade Payables ageing schedule

Particulars	Unbilled	Not Due	Outstanding As At 31st March 2024 (CY) for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME							
As at 31 March 2024	-	42.57	12.24	2.49	-	-	57.30
As at 31 March 2023	-	-	45.24	-	-	-	45.24
(ii) Others							
As at 31 March 2024	3,362.71	3,007.85	5,731.97	1,514.83	1.38	-	13,618.74
As at 31 March 2023	2,021.40	2,182.10	6,898.12	15.51	3.41	1.22	11,121.76
(iii) Disputed dues – MSME							
As at 31 March 2024	-	-	-	-	-	-	-
As at 31 March 2023	-	-	-	-	-	-	-
(iv) Disputed dues - Others							



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	Unbilled	Not Due	Outstanding As At 31st March 2024 (CY) for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024	-	-	-	-	-	-	-
As at 31 March 2023	240.22	-	-	-	-	25.39	265.61
Total							
As at 31 March 2024	3,362.71	3,050.42	5,744.21	1,517.32	1.38	-	13,676.04
As at 31 March 2023	2,261.62	2,182.10	6,943.36	15.51	3.41	26.61	11,432.61

Particulars	As at 31 March, 2024	As at 31 March, 2023
7. OTHER CURRENT LIABILITIES		
Advance from customers	706.87	928.73
Employee benefit payable	174.88	206.06
Statutory dues payable	581.24	359.99
Interest due to MSME	103.86	102.59
Earnest money deposits from vendors	1.50	1.50
Total	1,568.35	1,598.87

8. SHORT-TERM PROVISIONS

Provision for employee benefits:

Provision for compensated absences (Refer note 5C)	45.60	51.62
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Others

Provision for customs duty- advance licenses (Refer note 34)	354.12	340.28
Provision for other litigations	100.00	100.00
Stamp Duty (Refer note 34)	98.41	98.41
Lease equalisation reserve	200.83	56.24
Total	798.96	646.55



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
(All amounts in Rupees Lakhs, except as otherwise stated)

NOTE 9 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS As at 31 MARCH, 2024

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTIZATION			NET BLOCK	
	As At 1 April, 2023	Additions during the year	Disposals during the year	As At 31 March, 2024	As At 1 April, 2023	For the year	Disposals during the year	As At 31 March, 2024
9a. Property, Plant and Equipment								
Freehold Land	615.01	-	-	615.01	5.82	0.21	-	608.98
Buildings	2,936.56	7.65	-	2,944.33	1,035.57	98.13	-	1,810.63
Lease Hold Improvements	709.87	-	40.89	668.98	573.25	107.80	27.95	25.86
Plant and Equipment	5,398.64	179.53	0.70	5,578.67	3,698.00	280.75	0.70	1,599.62
Office Equipment	945.45	5.74	19.59	931.60	844.99	56.16	19.00	49.45
Furniture and Fixtures	374.30	-	42.58	331.72	326.46	34.33	56.25	7.22
Computer	652.42	30.16	44.23	638.35	467.97	98.93	53.12	119.57
Vehicles	74.57	57.10	45.79	65.88	74.08	10.57	53.30	46.53
Total	11,706.14	280.18	193.78	11,794.54	7,027.34	586.88	187.36	4,267.88
9b. Intangible Assets								
Software licenses	617.54	-	50.28	567.26	598.17	19.37	50.26	567.26
Total	617.54	-	50.28	567.26	598.17	19.37	50.26	567.26
9c. Capital Work In Progress								
Capital Work in Progress	144.00	-	144.00	-	-	-	-	-
Total	144.00	-	144.00	-	-	-	-	-
Total	12,463.68	280.18	388.06	12,361.80	7,625.51	706.25	537.54	4,267.88

1. The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

2. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are executed in favour of the lessee), are held in the name of the Company.

3. Capital work in progress appearing in previous year was capitalised during the year.



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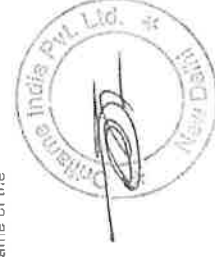
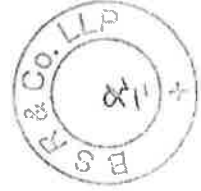
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 March 2024
(All amounts in Rupees Lakhs, except as otherwise stated)

NOTE 9 : PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS As at 31 MARCH, 2023

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTIZATION			NET BLOCK		
	As At 1 April, 2022	Additions during the year	Disposals during the year	As At 31 March, 2023	As At 1 April, 2022	For the year		Disposals during the year	As At 31 March, 2023
9a. Property, Plant and Equipment									
Freehold Land	615.01	-	-	615.01	3.97	1.65	-	5.82	609.19
Buildings	2,927.51	15.91	6.74	2,936.66	945.07	92.35	1.06	1,035.57	1,901.11
Lease Hold Improvements	864.46	0.01	174.60	709.87	623.22	124.18	174.15	573.25	1,366.67
Plant and Equipment	5,326.72	101.38	28.26	5,399.84	3,404.30	310.09	24.39	3,696.00	1,700.84
Office Equipment	959.83	44.12	58.50	945.45	832.35	70.91	56.28	814.99	100.46
Furniture and Fixtures	382.63	3.12	11.75	374.30	286.62	41.58	11.74	336.46	47.84
Computer	556.61	154.44	58.63	652.42	441.85	84.05	57.93	457.97	184.45
Vehicles	102.49	-	27.92	74.57	93.99	8.01	27.92	74.08	0.49
Total	11,755.56	318.98	366.40	11,708.14	6,641.38	742.03	356.27	7,027.14	4,681.30
9b. Intangible Assets									
Software licenses	617.54	-	-	617.54	576.35	21.70	-	598.17	19.37
Total	617.54	-	-	617.54	576.35	21.78	-	598.17	19.37
9c. Capital Work in Progress									
Capital Work in Progress	-	144.00	-	144.00	-	-	-	-	144.00
Total	-	144.00	-	144.00	-	-	-	-	144.00
Total	12,373.10	462.98	366.40	12,459.68	7,217.77	763.81	356.27	7,525.31	4,844.37

1. The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

2. The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are executed in favour of the lessee), are held in the name of the Company.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
(All amounts in Rupees Lakhs, except as otherwise stated)

9c. Capital-Work in Progress (CWIP)- ageing details

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
as at 31 March 2024	-	-	-	-	-
as at 31 March 2023	144.00	-	-	-	144.00

There is no Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	As at 31 March, 2024	As at 31 March, 2023
10. DEFERRED TAX ASSETS (NET)		
Opening Balance	1,837.39	1,720.66
Deferred Tax credit/ (charge) for the Year	428.56	116.73
Closing Balance *	<u>2,265.95</u>	<u>1,837.39</u>

* for components of net Deferred tax assets (refer note 32)

11. LONG TERM LOANS AND ADVANCES

(Unsecured, considered good, unless otherwise stated)

Value added tax (paid under protest)

- Considered doubtful

238.06

238.06

Less: Allowance for doubtful value added tax (Refer note 34)

(238.06)

(238.06)

Stamp Duty paid under protest

49.92

49.92

Advance income tax [net of provision for tax Rs. 5,752.27 Lakhs (Previous year Rs. 5,751.59 Lakhs)]

1,360.40

1,205.25

Total

1,410.32

1,255.17

No loans and advances are due by directors or other officers of the company or any of them either severally or jointly with any other persons, or amount due by firms or private companies respectively in which any director is a partner, a director or a member

There are no loans and advances to related parties.

12. OTHER NON-CURRENT ASSETS

(Unsecured, considered good, unless otherwise stated)

Bank fixed deposits (pledged with bank)

167.02

2.16

Security Deposits

Considered good

564.61

784.16

Considered doubtful

67.59

108.89

Less: Allowance for doubtful security deposit

(67.59)

(108.89)

Total

731.63

786.32



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	As at 31 March, 2024	As at 31 March, 2023
13. INVENTORIES		
(Valued at cost or net realisable value, whichever is lower)		
Raw Materials	2,673.01	2,328.59
Add: Goods in transit	440.76	745.93
Less: Provision for obsolete/slow moving inventory	(367.74)	(252.28)
Total (A)	2,746.03	2,822.24
Work-In-Progress	148.69	96.49
Total (B)	148.69	96.49
Finished Goods		
Manufactured	1,765.51	2,861.56
Stock in trade	2,784.27	4,960.82
Add: Goods in transit	240.58	802.21
Less: Provision for obsolete/slow moving inventory	(1,226.69)	(991.32)
Total (C)	3,563.67	7,633.27
Total Inventories (A+B+C)	6,458.39	10,552.00
13.1 Detail of raw materials (gross of provision)		
Chemical and perfumes	1,805.12	1,647.80
Packing material	1,308.65	1,426.72
Total (a)	3,113.77	3,074.52
13.2 Detail of work in progress		
Cosmetics	148.69	96.49
Total (b)	148.69	96.49
13.3 Detail of manufactured finished goods and stock-in-trade (gross of provision)		
Cosmetics and others	4,790.36	8,624.59
Total (c)	4,790.36	8,624.59
Total	8,052.82	11,795.60
14. TRADE RECEIVABLES		
(Unsecured)		
- Considered good *	1,665.69	2,178.59
- Considered doubtful	103.60	66.56
Less: Provision for doubtful debts	(103.60)	(66.56)
Total	1,665.69	2,178.59

* 14.1 includes receivable from related parties (refer note - 36c)



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

14.2 Trade Receivables ageing schedule

Particulars	Unbilled	Not Due	Outstanding As At 31st March 2024 (CY) for following periods from due date of payment					Total
			Less than 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables								
(i) – considered good								
As at 31 March 2024	-	1,114.63	502.23	48.83	-	-	-	1,665.69
As at 31 March 2023	-	994.96	634.94	77.85	18.62	26.94	425.28	2,178.59
(ii) – considered doubtful								
As at 31 March 2024	-	-	39.14	13.08	19.55	3.00	28.02	103.59
As at 31 March 2023	-	-	17.01	8.90	10.52	29.89	0.23	66.55
Disputed Trade receivables								
(i) – considered good								
As at 31 March 2024	-	-	-	-	-	-	-	-
As at 31 March 2023	-	-	-	-	-	-	-	-
(ii) – considered doubtful								
As at 31 March 2024	-	-	-	-	-	-	-	-
As at 31 March 2023	-	-	-	-	-	-	-	-
Provision for doubtful debts								
As at 31 March 2024	-	-	(39.14)	(13.08)	(19.55)	(3.80)	(28.02)	(103.59)
As at 31 March 2023	-	-	(17.01)	(8.90)	(10.52)	(29.89)	(0.23)	(66.55)
Total								
As at 31 March 2024	-	1,114.63	502.23	48.83	-	-	-	1,665.69
As at 31 March 2023	-	994.96	634.94	77.85	18.62	26.94	425.28	2,178.59

14.3 No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	As at 31 March, 2024	As at 31 March, 2023
15. CASH AND BANK BALANCES		
Cash and Cash equivalents		
Cash on hand	-	2.16
Others (balance with online payment gateway)	402.23	347.29
Bank Balances:		
On Current Accounts	1,832.71	1,153.15
Bank deposits with original maturity of 3 months	3,400.00	-
Total (A)	<u>5,634.94</u>	<u>1,502.60</u>
Other Bank balances		
Bank deposits due to mature within 12 months from the reporting date (pledged with banks)	-	163.86
Total (B)	<u>-</u>	<u>163.86</u>
Total (A + B)	<u>5,634.94</u>	<u>1,666.46</u>
16. SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Prepaid Expenses	116.14	158.14
Duty drawback	295.26	218.70
Advances to vendors	173.69	252.43
Total (A)	<u>585.09</u>	<u>629.27</u>
Balance with Government Authorities		
(i) Goods and Service Tax	1,687.65	1,148.48
(ii) Excise Duty		
- Considered doubtful	14.73	14.73
Less: Provision for advance Excise Duty (refer Note 34)	(14.73)	(14.73)
(ii) Advance Custom duty		
- Considered good	43.24	43.24
(iv) Advance custom duty	26.17	52.10
(v) Special additional duty receivable		
- Considered doubtful	1,080.10	929.54
Less: Provision for Special additional duty receivable (refer Note 34)	(1,080.10)	(929.54)
Total (B)	<u>1,757.07</u>	<u>1,243.82</u>
Total (A+B)	<u>2,342.16</u>	<u>1,873.09</u>

16.1 No loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Nor any loans are due from firms or private companies respectively in which any director is a partner, a director or a member. There are no loans and advances to related parties.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

There are no loans and advances to related parties.

Particulars	As at 31 March, 2024	As at 31 March, 2023
17. OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Security Deposits	192.98	-
Interest accrued on fixed deposits	3.11	1.50
Other Receivables (Amount recoverable from third party agents-Cash collected on our behalf)	14.43	56.69
Total	210.52	58.19
18 REVENUE FROM OPERATIONS		
Sale of products		
Manufactured goods	32,138.71	33,503.61
Traded goods	10,831.36	16,849.05
Sale of services		
Marketing support services	309.31	107.50
Other operating revenues		
Scrap sales	22.75	36.67
Export incentives	82.50	124.74
Others	130.45	180.53
Total	43,515.08	50,804.10
Details of revenue		
(a) Details of revenue from sales of products - Manufactured goods		
Cosmetics and others	32,138.71	33,503.61
	32,138.71	33,503.61
(b) Details of revenue from sales of products - Traded goods		
Cosmetics	9,709.14	15,264.75
Accessories and others	1,122.22	1,584.30
Total (b)	10,831.36	16,849.05
Total (a)+(b)	42,970.07	50,352.66
19 OTHER INCOME		
Interest Income		
- from fixed deposits	8.97	10.52
- from others	0.87	9.26
Others		
Gain on sale of Property, Plant & Equipment [net]	28.81	12.45
Gain on foreign exchange transactions [net]	90.91	232.80
Liabilities / provisions no longer required written back	33.60	129.80
Total	163.16	394.83



Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
20 COST OF MATERIALS CONSUMED		
Raw materials and packing materials		
Inventory at the beginning of the year	3,074.52	3,129.15
Add: Purchases of raw material and packing material	8,036.90	8,823.04
Less: Inventory at the end of the year	(3,113.77)	(3,074.52)
Cost of raw materials and packing materials consumed	7,997.65	8,877.67
(a) Details of cost of material consumed		
Chemical and perfumes	3,407.43	4,775.25
Packing material	4,590.22	4,102.42
	7,997.65	8,877.67
(b) Particulars of raw materials and packing materials consumed		
Indigenous: Percentage 52% (Previous Year 57%)	4,195.27	5,017.28
Imported: Percentage 48% (Previous Year 43%)	3,802.38	3,860.39
	7,997.65	8,877.67
21 PURCHASES OF STOCK-IN-TRADE		
Purchase of stock-in-trade	5,540.20	9,374.34
Total	5,540.20	9,374.34
Details of purchase of stock in trade		
Cosmetics and others	5,317.77	9,374.34
Packing material	222.43	-
	5,540.20	9,374.34
22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Stock	8,621.25	7,471.06
Closing Stock	(4,939.05)	(8,621.25)
Net change in finished goods	3,682.20	(1,150.19)
Closing inventory*		
Work-in-progress	(148.69)	(96.49)
Finished goods	(1,765.51)	(2,861.56)
Stock-in-trade	(3,024.85)	(5,663.20)
	(4,939.05)	(8,621.25)
Opening inventory*		
Work-in-progress	96.49	91.69
Finished goods	2,861.56	2,568.21
Stock-in-trade	5,663.20	4,811.16
	8,621.25	7,471.06
Net decrease / (increase)*	3,682.20	(1,150.19)

* excluding provision for obsolete / slow moving inventory



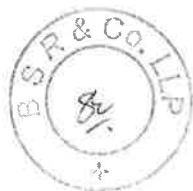
Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
23 EMPLOYEE BENEFITS EXPENSE		
a. Salaries wages and bonus	4 389.63	4,288.00
b. Contribution to provident and other funds (Refer note 5 A)	279.23	262.10
c. Gratuity (Refer note 5 B)	45.95	52.24
d. Compensated absences (Refer note 5 C)	113.76	150.51
e. Staff welfare expenses	313.05	326.81
Total	5,141.62	5,079.66
24 FINANCE COSTS		
Interest on dues to Micro and Small enterprises suppliers	1.27	3.49
Total	1.27	3.49
25 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on property, plant and equipments (Refer note 9a)	686.88	742.03
Amortisation of intangible assets (Refer note 9b)	19.37	21.78
Total	706.25	763.81
26 OTHER EXPENSES		
Consumption of stores and spare parts	53.51	47.31
Power and fuel	266.28	220.74
Rent (Refer Note 29)	1,840.95	1,833.84
Repair		
- building	11.03	2.00
- machinery	25.82	29.93
- others	182.72	614.90
Business promotion	3,139.73	3,114.19
Rates and taxes	20.88	14.73
Travelling and conveyance	442.40	540.56
Legal and professional	400.63	900.29
Auditor Remuneration (refer note 26.1)	27.25	38.85
Freight outward	1,813.45	2,647.63
Printing and stationery cost	508.25	1,084.00
Postage and telephone	68.85	126.65
Computer expenses	1,176.24	1,323.12
Awards/ incentives	311.03	802.85
Advertisement	184.20	351.44
Packing cost	197.12	389.84
Bank charges	268.58	409.96
Insurance	199.01	169.56
Royalty	2 122.34	2,557.79
Selling and distribution expenses	6,758.32	9,685.59
CSR expenditure (refer note 38)	8.53	141.13
Provision for other litigations	-	100.00
Inventory written off (A)	91.02	472.57



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024**(All amounts in Rupees Lakhs, except as otherwise stated)**

Less: Inventory written off against provision already created (B)		(3/6.59)
Net inventory written off (A-R)	91.02	95.98
Provision for obsolete/ slow moving inventory	486.25	767.92
Bad debts written-off	621.83	13.21
Security deposits written off	2.81	12.67
Miscellaneous expenses	98.92	502.09
Total	23,327.95	28,538.77

26.1 Payment to auditors (exclusive of Goods and Service Tax)

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
As auditor		
- for statutory audit	23.00	32.00
- for other services - tax audit	2.00	5.00
- for out of pocket expenses	2.25	1.85
Total	27.25	38.85

26.2 Particulars of consumption of stores and spare parts

Particulars	As at 31 March, 2024	As at 31 March, 2023
Indigenous: Percentage 79% (Previous Year 91%)	42.27	42.96
Imported: Percentage 21% (Previous Year 9%)	11.24	4.35
Total	53.51	47.31



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

27 CIF Value of Imports

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Raw Material*	3,138.56	3,916.03
Traded Goods**	2,251.47	4,911.42
Total	5,390.03	8,827.45

* includes goods in transit Rs. 440.76 Lakhs (Previous year Rs. 745.93 Lakhs)

** includes goods in transit Rs. 240.58 Lakhs (Previous year Rs. 802.21 Lakhs)

28 Earnings and expenditure in Foreign currency

Nature of transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Sale of goods: Exports on FOB basis	6,391.04	4,400.66
Sale of services	309.31	107.50
Total Earnings in foreign Currency	6,700.35	4,508.16
Royalty	2,122.34	2,557.79
Computer expenses	1,140.89	1,254.79
Business Promotion*	81.80	34.57
Printing and stationery cost	247.09	344.11
Travelling and Conveyance	10.16	11.94
Legal and Professional	16.09	7.90
Bank Charges	0.81	1.61
Postage and Telephone	0.01	0.02
Insurance	19.56	17.68
Salary, Wages and Bonus	55.57	103.51
Repair Machinery	0.71	2.29
Advertisement	21.27	21.20
Miscellaneous	0.79	1.24
Consumption of stores and spares	11.38	4.35
Total expenditure in foreign currency	3,728.47	4,363.00



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

29 Leases (as a lessee)

The Company has taken warehouses and offices for branch activities on lease. Such leases have a renewal and / or escalation clause and are in the nature of operating leases

a) The total of future minimum lease payments in respect of leases entered under non - cancellable period of operating leases is as under:

Particulars	As at 31 March, 2024	As at 31 March, 2023
Not later than one year	1,100.04	1,770.76
Later than one year but not later than five years	1,612.45	4,968.73
More than five years	556.38	811.73
Total	3,268.87	7,551.22

b) Lease Payments recognised in the statement of profit and loss in respect of all leases: - Rs. 1,840.95 Lakhs (Previous year: Rs. 1,833.84 Lakhs)

30 Derivatives instruments and un-hedged currency exposure

a) The Company's exposure in respect of foreign currency denominated liabilities and assets not hedged as on March 31, 2024 and March 31, 2023 by derivative instruments or other-wise are as follows:

Particulars	Currency	Amount in Foreign Currency (Lakhs)	Equivalent Indian Rupees (Lakhs)
As on 31-03-2024			
Trade Payable	USD	1.30	108.41
	EUR	36.86	3,322.58
	GBP	0.06	5.90
Trade Receivables	EUR	16.21	1,460.77
As on 31-03-2023			
Trade Payable	USD	4.37	359.13
	EUR	22.59	2,019.66
	SEK	0.77	608.48
Trade Receivables	EUR	0.11	9.42
	GBP	-	0.47
	USD	21.97	1,962.10

b) The company did not have any derivative instruments during the year.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

31 Earnings Per Share

Basic and diluted earnings per equity share have been computed by dividing net profit attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Profit/(Loss) after tax as per Statement of Profit and Loss (a)	(2,287.52)	(275.09)
Weighted Average Number of Equity Shares- Basic (b)	79,896,216	79,896,216
Weighted Average Number of Equity Shares- Diluted (c)	79,896,216	79,896,216
Basic Earnings per share (a/b)	(2.86)	(0.34)
Diluted Earnings per share (a/c)	(2.86)	(0.34)
Nominal Value per share	10.00	10.00

32 The components of Deferred Tax assets are as follows:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Difference between written down value of PPE as per Income-tax Act, 1961 and Companies Act, 2013	198.69	247.03
Expenditure allowed on payment basis	-	15.91
Provision for VAT, Advance Custom Duty and Special Additional Duty on consultant bonus and others	474.73	408.38
Provision for doubtful debts	21.27	16.75
Provision for lease equalisation reserve	113.42	105.32
Provision for expenses	859.74	514.88
Provision for inventory	401.29	312.99
Provision for employee benefits	179.80	188.73
Provision for security deposit	17.01	27.40
Total	2,265.95	1,837.39

The Company has incurred losses in the current year. However, management has recognized deferred tax asset as subsequent to the year end, the Company has started earning profits against which existing deferred tax assets can be utilized. However, as a matter of prudence, management has not recognized deferred tax assets on carry forward losses and depreciation since the Company may not have sufficient taxable profits to realise the same.

Particulars	As At 31st March 2024 Gross Amount	As At 31st March 2024 Unrecognised Tax effect	As At 31st March 2023 Gross Amount	As At 31st March 2023 Unrecognised Tax effect
Deductible temporary differences	-	-	-	-
Tax losses	(595.23)	(149.81)	-	-



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

33 Contingent Liabilities and commitments

Particulars	As at 31 March, 2024	As at 31 March, 2023
a) Contingent Liabilities		
Claims against the company not acknowledged as debt [refer note (i)]		
Industrial relations under dispute	9.00	8.64
Custom Authorities	1,677.44	1,633.25
Other indirect taxes related liabilities	5,628.48	659.92
Direct taxes	842.39	-
Total	8,157.31	2,301.81

* Represents amount provided on account of low probability with various tax authorities

(i) Matters are subject to legal proceedings and claims which have arisen in the ordinary course of business. The Company does not reasonably expect that, these legal claims when ultimately concluded and determined, will have a material and adverse effects on the Company's results of operation or financial condition.

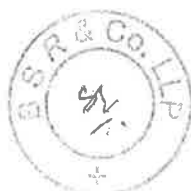
(ii) (a) The amount shown above represent the best possible estimates arrived at on the basis of information available with the management

(b) The uncertainties relating to amounts and the timing of any outflows are dependent on the outcome of the different cases and therefore, can not be predicted accurately.

(c) The Company does not expect any reimbursement against any of these claims.

b) Commitments

Capital Expenditure contracted for at the end of the reporting period net of capital advance but not recognised as liabilities: Rs.Nil
(Previous year Rs. Nil)



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

34 Provisions

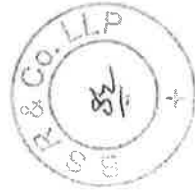
The schedule of provisions as required to be disclosed under accounting standard (AS-29): 'Provisions, contingent liabilities and contingent assets' is as under:

Nature Of Provisions	For the year ended 31 March, 2024				For the year ended 31 March, 2023			
	Opening	Creation During the year	Utilization / release during the year	Closing Balance	Opening	Creation During the year	Utilization / release during the year	Closing Balance
Provision for special additional duty receivable* (refer note 16) #	929.54	150.56	-	1,080.10	720.52	209.02	-	929.54
Provision for advance custom duty* (refer note 16)	-	-	-	-	30.00	-	30.00	-
Provision for Value Added Tax* (refer note 11) @	238.06	-	-	238.06	302.91	8.25	73.10	238.06
Provision for custom duty - advance licenses* (refer note 8) @	340.28	13.84	-	354.12	328.71	18.52	6.95	340.28
Provision for stamp duty* (refer note 5 and note 8)	98.41	-	-	98.41	98.41	-	-	98.41
Provision for excise duty* (refer note 16)	14.73	-	-	14.73	14.73	-	-	14.73

34.1 *Represent amount provided on account of low probability with various tax authorities

Charge for the year has been disclosed in "Purchase of Stock-in-trade" under note 21 of the Statement of Profit and Loss

@ Charge for the year has been disclosed in "Rates and taxes" under note 26 Other Expenses of the Statement of Profit and Loss



(All amounts in Rupees Lakhs, except as otherwise stated)

35 Segment reporting Disclosure

The Company has considered the business segment as a primary reporting segment on the basis that the risk and returns of the Company is primarily determined by the nature of product and services. Consequently, the geographical segment has been considered as a secondary segment.

The business segment have been identified on the basis of the nature of product and services, the risks and returns internal organisation and management structure and the management reporting system.

The management has determined the following business segments:

- Manufacturing and Trading of Cosmetics and Beauty products ('MTCB');
- Manufacturing of Wellness products ('MWP')

Geographical segment is considered based on sales "within India" and "outside India", according to the location of customers.

Segment Accounting policies

The accounting principles consistently used in the preparation of the Financial statements are applied to record revenue and expenditure in individual segments as set out in note 2 to these financial statements on Significant accounting policies. Further there are no inter-segment transaction among each of the segments. The accounting policies in relation to segment accounting are as under:

(a) Segment assets and liabilities

All segment assets and liabilities have been allocated to the various segments on the basis of specific identification.

Segment assets consist principally of allocable PPE trade receivables, loans and advances and unbilled receivables. Segment assets do not include unallocated corporate assets, cash and bank, advance taxes and deferred taxes.

Segment liabilities include trade payable, other liabilities and provisions. Segment liability do not include share capital, reserves and provision for taxes.

(b) Segment revenue and expenses

Segment revenue is directly attributable to the segment and segment expenses have been allocated to various segments on the basis of specific identification. However, segment revenue does not include interest income.

Segment expenses do not include corporate expenses and finance cost.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

A. Primary Segment - Business

Particulars	MTCB		MWP		Unallocated		Total	
	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
Revenue from external customers	40,138.93	44,436.45	3,376.15	6,367.65	-	-	43,515.08	50,804.10
Segment result	599.14	1,482.12	1,122.94	3,158.80	(4,605.49)	(5,320.86)	(2,863.41)	(679.96)
Other income	0.89	12.02	-	-	162.27	382.61	163.16	384.83
Finance Cost	-	-	-	-	(1.27)	(3.49)	(1.27)	(3.49)
Net profit before tax	600.02	1,494.14	1,122.94	3,158.80	(4,441.86)	(4,941.56)	(2,718.90)	(288.62)
Provision for taxation	-	-	-	-	-	104.60	-	104.60
Current tax for earlier years	-	-	-	-	-	(1.40)	-	(1.40)
Deferred tax	-	-	-	-	(431.38)	(116.73)	(431.38)	(116.73)
Net profit after taxation	600.02	1,494.14	1,122.94	3,158.80	(4,010.48)	(4,928.03)	(2,287.52)	(275.99)
Other information	-	-	-	-	-	-	-	-
Carrying amount of segment assets	13,080.59	16,771.11	1,454.81	2,093.62	10,452.08	6,186.85	24,987.48	25,515.58
Carrying amount of segment liabilities	16,056.52	13,928.49	36.74	65.42	868.70	744.63	16,961.96	14,736.54
Other information	-	-	-	-	-	-	-	-
Capital expenditure	136.18	117.30	-	144.00	-	201.66	136.18	462.88
Total capital expenditure	136.18	117.30	-	144.00	-	201.66	136.18	462.98
Depreciation expenditure	366.67	328.25	12.43	104.78	327.15	330.78	706.25	763.81
Total depreciation expenditure	366.67	328.25	12.43	104.78	327.15	330.78	706.25	763.81
Non-cash expenses other than depreciation	1,199.10	877.11	-	-	2.81	-	1,201.91	877.11
Total non-cash expenditure other than depreciation	1,199.10	877.11	-	-	2.81	-	1,201.91	877.11



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024
(All amounts in Rupees Lakhs, except as otherwise stated)

B. Secondary Segment - Geographical

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Within India	Outside India	Within India	Outside India
	Total	Total	Total	Total
Segment revenue by location of customers	36,810.61	6,704.47	46,318.55	4,485.56
Carrying amount of segment assets	23,557.59	1,429.89	23,621.66	1,429.89
Capital Expenditure*	136.18	-	462.98	-

*All the manufacturing plants of the Company are located in India

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

36 The disclosure as required by the AS-18 (Related party disclosure) are given below:

a) Name of the related party and nature of their relationship

Name/Relation	
1	Where control exists
(a)	Ultimate Holding Company Oriflame Partners Limited, Jersey
(b)	Intermediate Holding Company Oriflame Holding Limited, Jersey
(c)	Holding Company Oriflame Investments Limited, Mauritius
2	Other related parties with whom transactions have taken place during the year:
(a)	Fellow Subsidiary Oriflame Cosmetics Global S.A., Luxembourg CETES Cosmetics AG, Switzerland Oriflame Cosmetics (China) Co. Ltd., China Oriflame Software S.R.O, Czech Republic Oriflame Lanka (Private) Ltd, Sri Lanka CETES Cosmetics Poland Sp z o.o. Oriflame Cosmetics AB, Sweden Oriflame Cosmetics AG, Switzerland Oriflame Cosmetics Global Pte Ltd, Singapore Oriflame Research And Development Ltd, Ireland PT Orindo Alam Ayu, Indonesia Oriflame Vietnam Limited Oriflame Cosmetics Pakistan (Private) Ltd, Pakistan CETES Cosmetics LLC
(b)	Key Managerial Personnel Mr. Manjit Singh Bawa - Wholetime Director Mr. Frederic Sebastian Nikodemus Widell - Managing Director (till 10 October 2023) Ms. Edyta Bogumila Kurek - Managing Director (w.e.f. 21 March 2024) Mr. Sitaraman Subramanian - Wholetime Director Mr. Karan Mehra - Company Secretary (till 01 May 2024) Ms. Jigyasa Gulati - Company Secretary (w.e.f. 19 July 2024)

b) Related Party Transactions during the year

Nature of transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Sales of goods		
<i>To fellow subsidiaries</i>		
Oriflame Cosmetics Global S.A., Luxembourg	6,387.31	2,924.07
Oriflame Cosmetics (China) Co. Ltd., China	3.73	0.97
CETES Cosmetics Poland Sp. z o.o.	-	0.80
Oriflame Cosmetics Global Pte. Ltd, Singapore	-	1,472.98
Oriflame Research and Development Ltd, Ireland	-	1.85
Total	6,391.04	4,400.67



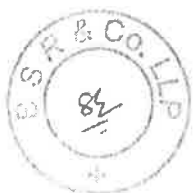
Oriflame India Private Limited

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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Nature of transaction	For the year ended 31 March, 2024	For the year ended 31 March, 2023
Sales of services		
To fellow subsidiaries		
Oriflame Lanka Private Limited Sri Lanka	21.48	60.59
PT Orindo Alam Ayu	216.68	30.19
Oriflame Vietnam Limited	71.15	16.72
Total	309.31	107.50
Purchase of goods (excluding custom duty)		
<i>From Fellow subsidiaries</i>		
Oriflame Cosmetics Global S.A. , Luxembourg	1,972.64	3,038.17
CETES Cosmetics AG Switzerland	1,107.35	1,079.41
Oriflame Cosmetics Global Pte. Ltd	-	34.90
CETES Cosmetics LLC	-	75.77
Total	3,079.99	4,228.25
Computer Expenses		
<i>To Fellow subsidiaries</i>		
Oriflame Software S.R.O, Czech Republic	1,140.89	1,254.79
Total	1,140.89	1,254.79
Printing and stationery cost		
<i>To Fellow subsidiaries</i>		
Oriflame Cosmetics AB, Sweden	247.09	344.11
Total	247.09	344.11
Royalty		
<i>to Fellow subsidiaries</i>		
Oriflame Cosmetics AG, Switzerland	2,122.34	2,557.79
Total	2,122.34	2,557.79
Reimbursement of expenses incurred by the company on behalf of related party		
<i>Fellow subsidiaries</i>		
Oriflame Cosmetics Global S.A. , Luxembourg	506.19	272.76
Oriflame Cosmetics (China) Co. Ltd., China	0.37	0.11
CETES Cosmetics Poland Sp. z o.o.	-	0.81
PT Orindo Alam Ayu	-	5.26
Oriflame Research and Development Ltd, Ireland	-	2.48
Oriflame Cosmetics Global Pte. Ltd, Singapore	-	118.27
Total	506.56	399.69



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

Salary, wages and Bonus		
<i>To Fellow subsidiaries</i>		
Oriflame Cosmetics AG, Switzerland	5.73	(3.25)
Total	5.73	(3.25)
Reimbursement of expenses incurred by related party on behalf of the Company		
<i>To Fellow subsidiaries</i>		
Oriflame Cosmetics AG, Switzerland	-	1.54
Oriflame Cosmetics Global S.A. , Luxembourg	896.09	546.92
Oriflame Lanka Private Limited, Sri Lanka	-	0.89
Total	896.09	549.35
Inter company balances write off		
Oriflame Lanka Private Limited, Sri Lanka	140.51	7.07
Oriflame Cosmetics Pakistan (Private) Ltd. Pakistan	447.04	-
Total	587.55	7.07
Inter company balances write back		
Oriflame Lanka Private Limited, Sri Lanka	-	6.93
Oriflame Cosmetics AB, Sweden	-	3.12
Oriflame Cosmetics Global S.A. , Luxembourg	-	43.86
Total	-	53.91
Managerial Remuneration*		
Manjit Singh Bawa	122.90	123.75
Sitaraman Subramanian	140.90	137.15
Frederic Sebastian Nikodernus Widell	285.30	383.31
Edyta Bogumila Kurek	57.49	-
Total	606.59	644.21

* remuneration does not include gratuity/leave encashment as it is done for all the employees as a whole.



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NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

c) Balances outstanding at the year end

Particulars	As at 31 March, 2024	As at 31 March, 2023
Trade payables		
<i>To Fellow subsidiaries</i>		
Oriflame Cosmetics Global S.A. , Luxembourg	4,273.40	2,888.63
Oriflame Cosmetics AB, Sweden	106.65	118.33
CETES Cosmetics LLC	-	84.88
Oriflame Software S.R.O, Czech Republic	283.30	634.64
CETES Cosmetics AG, Switzerland	195.87	507.82
Oriflame Cosmetics AG, Switzerland	2,818.26	1,151.96
Total	7,677.48	5,386.26
Trade receivables		
<i>From Fellow subsidiaries</i>		
Oriflame Cosmetics Global S.A. , Luxembourg	1,369.17	1,313.80
Oriflame Cosmetics (China) Co. Ltd., China	3.19	-
ORIFLAME VIETNAM LIMITED	88.41	15.05
Oriflame Lanka (Pvt.) Ltd, Sri Lanka	-	137.49
Oriflame Cosmetics Pakistan (Private) Ltd, Pakistan	-	443.39
PT ORINDO ALAM AYU, Indonesia	-	28.96
Total	1,460.77	1,938.69

37 Transfer Pricing:

As per the Transfer pricing norms, the Company is required to use certain specific methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents related to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated person, functions performed and other factors, which have been prescribed. The Transfer pricing study for the financial year ending March 31, 2024 is in progress and accordingly, the related adjustment, if any, can be quantified only upon completion of this study. However, based on the self-assessment of the transactions by the management during the year, the Management does not expect any material impact on the Company's financial statements for the year ended March 31, 2024 on account of the aforesaid study.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

38 Expenditure on Corporate Social Responsibility Activities:

As per Section 135 of the Companies Act 2013 read with guidelines issued by the Department of Public Enterprises (DPE), the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The disclosure in respect of CSR activities for the year are as under:

Particulars	For the year ended 31 March, 2024	For the year ended 31 March, 2023
(a) Amount required to be spent by the company during the year, **	-	141.13
(b) Amount spent during the year on-		
(i) Construction / acquisition of any asset,		
(ii) On purposes other than (i) above,	8.53	141.13
(c) Shortfall / (excess) at the end of the year, ***	(8.53)	0
(d) Total of previous years shortfall,	-	3.98 *
(e) Reason for shortfall	N/A	N/A
(f) Nature of CSR activities,	Promoting educational activities	Promoting educational activities
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NIL
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately,	NIL	NIL
(i) The shortfall amount (i.e. unspent amount), in respect of other than ongoing projects, transferred to a Fund specified in Schedule VII to the Act, as per section 135(5) of the Act,	NIL	NIL

* The Company had contributed Rs.3.98 lakh in year ended March 31, 2023 towards PM Cares Fund.

** The requirement as stipulated by the provisions of Section 135 are not applicable in the current financial year.

*** The excess amount can be set off against the required 2% CSR expenditure up to the immediately succeeding three financial years subject to compliance with the conditions stipulated under rule 7(3) of the Companies (CSR Policy) Rules, 2014.



NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

39 Additional Regulatory information in accordance schedule III if the Act

(A) Analytical Ratios

Ratio	Numerator	Denominator	For the year ended as at 31 March 2024	For the year ended as at 31 March 2023	Variance (%)	Reason for Variance*
Current Ratio	Current Assets	Current Liabilities	1.02	1.19	(14.29)	
Debt-Equity Ratio	Total Debt	Shareholder's equity	NA	NA		
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA		
Return on Equity Ratio	Net Profits after taxes	Average Shareholder's equity	(24.95)	(2.63)	848.67	Decrease in ratio is due to increase in losses of the current year as compared to previous year
Inventory turnover ratio	Cost of Goods sold	Average Inventory	2.02	1.69	19.53	
Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivable	22.64	25.66	(11.77)	
Trade payables turnover ratio	Net credit purchases (viz. purchases and other relevant expenses)	Average Trade Payables	2.84	4.28	(33.64)	Increase in ratio is due to decrease in purchases of the current year as compared to previous year
Net capital turnover ratio	Net Sales	Average Working Capital	29.82	16.80	77.50	Decrease in ratio is due to decrease in sales of the current year as compared to previous year
Net profit ratio	Net profit	Net Sales	(5.26)	(0.54)	874.07	Decrease in ratio is due to increase in losses of the current year as compared to previous year
Return on Capital employed	Earning before interest and taxes	Capital Employed	(33.86)	(2.76)	1,126.81	Decrease in ratio is due to increase in losses of the current year as compared to previous year
Return on investment	Net Income	Cost of Investment	NA	NA		

* Reason provided where variances is more than 25% as per the requirements of the Schedule III of the Companies Act 2013

(B) The Company does not have any transactions and balances with companies which are struck off.

(C) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.

(D) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.



Oriflame India Private Limited

CIN :- U74899DL1994PTC061083

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2024

(All amounts in Rupees Lakhs, except as otherwise stated)

(E) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder during the current year as well as in previous year.

(F) There are no transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the income tax 1961

(G) The Company has not traded or invested in crypto currency or any virtual currency during the current or previous year

(H) The Company has not been declared as wilful defaulter by any bank or financial institution or government or government authority.

(I) The group has complied with the number of layers prescribed under the Companies Act, 2013.

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

(K) The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, either severally or jointly with any other person.

(L) The Company has not been sanctioned working capital limits from banks or financial institutions during any point of time of the year on the basis of security of current assets.

(M) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(N) There were no significant adjusting events that occurred subsequent to the reporting period other than the event disclosed in relevant notes to accounts

The accompanying notes 1 to 39 form an integral part of the financial statements

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Regn.No.101248W/W-100022



Shweta Kumar

Partner

Membership No. 509822

Place : Gurugram

Date : 30/09/2024

**For and on behalf of the Board of Directors of
Oriflame India Private Limited**



Edyta Bogumila Kurek

Managing Director

DIN: 10558324



Subramanian S

Wholtime Director

DIN: 03208240

Place: New Delhi

Date: 30/09/2024



Jigyasa Gulati

Company Secretary

Membership No. A33052

