



Sanghvi Brands Limited

(Formerly known As Sanghvi Brands Private Limited)

14th June 2021

To,
BSE Limited,
P.J.Towers, Dalal Street,
Mumbai – 400 001

Security ID: SBRANDS
Security Code: 540782

Subject: Outcome of the Meeting of the Board of Directors held on 14th June 2021

Dear Sir/Madam,

This is with reference to with the captioned subject, pursuant to Regulation 30 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the following is the outcome of the meeting of the Board of Directors of the Company;

Approved Standalone and Consolidated Audited Financial Results for half year/year ended 31st March 2021;

Pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board approved the Audited (Standalone and Consolidated) Financial Results for the half year/year ended 31st March 2021.

A copy of the Audited (Standalone and Consolidated) Financial Results for the half year/year ended 31st March 2021 along with the Statement of Assets & Liabilities, Cash flow and Auditors' Report thereon, as received from the Statutory Auditors M/s. B K Khare & Co., Chartered Accountants are enclosed herewith.

A Declaration pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, regarding unmodified opinion of the Statutory Auditors on the annual financial results for the financial year ended March 31, 2021, is also enclosed herewith.

In consequent to the lockdown and second wave of COVID-19 in India the business and operation of the Company where impacted. The Management is trying it best to restructured it operation effectively and have re-opened few of its locations in accordance with all the safety measure and following the necessary protocols in order to provide a safe and hygienic service.

The Board Meeting started 5.45 p.m. and concluded 7.10 p.m.

Please acknowledge and take on record of the same.

Thanking You,

For Sanghvi Brands Limited
(Formerly known as Sanghvi Brands Private Limited)

K.H. Shah.

Kruti H. Shah
Company Secretary and Compliance Officer



CIN: L74999PN2010PLC135586

Registered Office: 'Sanghvi House', 105 / 2,
Shivajinagar, Tophkhana Road, Pune - 411005. India
Tel 020 67634800

Auditor's Report on the Standalone financial Results of the Company for the half year and year ended March 31, 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Sanghvi Brands Limited

Opinion

We have audited the standalone financial results of Sanghvi Brands Limited ("the Company") for the half year and the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. ('Listing regulations')

In our opinion and to the best of our information and according to the explanations given to us the aforesaid annual financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) gives a true and fair view, in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the loss, and other financial information of the Company for the half year and year ended March 31, 2021.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act 2013 ("the Act"). Our responsibilities under those SAs are further described in the 'Auditors Responsibilities for the Audit of Annual Financial Results' 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 annual financial results.

Impact of Covid 19 and material uncertainty related to going concern

We draw attention to Note 5 to the financial results which describes the actual and potential impact of outbreak of Covid 19 on the business operation of the Company and its future prospects. The Company has incurred a net loss/net cash loss during the current and previous years. These conditions along with other matters set forth in Note 5 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements of the Company have however been prepared on a going concern basis based on various mitigating factors as detailed in the said note to the financial results.

Emphasis of Matter

We draw attention to following matters in notes to the financial results:

- a. As detailed in Note 9 and Note 10 to the financial results, no provision is presently considered necessary on the investments in two Indian subsidiaries and the loans granted to them in spite of significant accumulated losses, negative net-worth as of the balance sheet date and the subsidiaries' operations been impacted by the Covid 19 pandemic. In the opinion of the management these are temporary disruptions and management is confident of revival of the business operations of these entities.

Our opinion is not modified in respect of the above matters.

Managements and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as 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 responsible for overseeing the Company's financial reporting process.

Auditors Responsibilities for the Audit of Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results 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 SA 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 results.

As part of an audit in accordance with standard on auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- a. Identify and assess the risks of material misstatement of the financial results, 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.
- b. 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 system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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.
- e. Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The annual financial results include the results for the half year ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited half year ended figures of the current financial year which were subjected to limited review by us.

For **B. K. Khare & Co.**

Chartered Accountants

Firm's Registration Number: 105102W

**Shirish Suresh
Rahalkar** Digitally signed by
Shirish Suresh Rahalkar
Date: 2021.06.14
18:34:42 +05'30'

Shirish Rahalkar

Partner

Membership No.:111212

UDIN: 21111212AAAASB2587

Mumbai, June 14, 2021

SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
CIN: L74999PN2010PLC135586
SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31 MARCH, 2021 (Amt in Rs.)

	Particulars	Half - Year Ended			Year Ended	
		September 30, 2020 (Unaudited)	March 31, 2021 (Unaudited)	March 31, 2020 (Unaudited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
1	INCOME					
	(a) Revenue from operations	2,565,564	26,943,096	33,646,898	29,508,660	79,878,586
	(b) Other Income	889,964	720,511	1,791,075	1,610,475	4,566,224
	Total Revenue	3,455,528	27,663,607	35,437,973	31,119,135	84,444,810
2	Expenses					
	(a) Cost of materials consumed	31,326	3,721,674	10,921,050	3,753,000	13,513,653
	(b) Employee benefits expense	6,666,097	8,874,184	22,637,215	15,540,281	45,800,940
	(c) Finance Costs	98,287	112,454	815,192	210,741	1,028,941
	(d) Depreciation and amortization expense	431,215	415,560	24,865,721	846,775	30,209,869
	(e) License Fees	1,128,899	10,176,444	12,653,064	11,305,343	24,613,946
	(f) Other expenses	4,294,502	13,727,735	11,608,523	18,022,237	17,995,771
	Total expenses	12,650,326	37,028,051	83,500,764	49,678,377	133,163,120
3	Profit / (Loss) from operations before other income and exceptional items (1-2)	(9,194,798)	(9,364,444)	(48,062,791)	(18,559,242)	(48,718,310)
	Other Income	-	-	-	-	-
4	Profit / (Loss) from ordinary activities before exceptional items	(9,194,798)	(9,364,444)	(48,062,791)	(18,559,242)	(48,718,310)
5	Profit / (Loss) from ordinary activities before exceptional items	(9,194,798)	(9,364,444)	(48,062,791)	(18,559,242)	(48,718,310)
6	Exceptional items	-	-	62,147,508	-	62,147,508
7	Profit / Loss from ordinary activities before tax (5 ± 6)	(9,194,798)	(9,364,444)	(110,210,299)	(18,559,242)	(110,865,818)
8	Tax Expenses :					
	(a) Current tax expenses for the current year	-	-	-	-	-
	(b) Deferred tax	-	-	-	-	-
9	Net Profit / (Loss) from ordinary activities after tax (7 ± 8)	(9,194,798)	(9,364,444)	(110,210,299)	(18,559,242)	(110,865,818)
10	Extraordinary items (net of tax expenses)	-	-	-	-	-
11	Net Profit (+) / (Loss) (-) for the period (9 ± 10)	(9,194,798)	(9,364,444)	(110,210,299)	(18,559,242)	(110,865,818)
12	Share of profit or loss of associates	-	-	-	-	-
13	Minority interest	-	-	-	-	-
14	Net Profit / Loss for the period after taxes, minority interest and share of profit / (loss) of associates (11 ± 12 ± 13)	(9,194,798)	(9,364,444)	(110,210,299)	(18,559,242)	(110,865,818)
15	Paid-up equity share Capital (Face Value of Rs.10/- per share)	104,158,800	104,158,800	104,158,800	104,158,800	104,158,800
16	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	12,414,131	30,973,373
17	I. Earning per share (before extraordinary items) (of Rs. 10 each) (not annualised)					
	(a) Basic	(0.88)	(0.90)	(10.58)	(1.78)	(10.64)
	(b) Diluted	(0.88)	(0.90)	(10.58)	(1.78)	(10.64)
18	II. Earning per share (after extraordinary items) (of Rs. 10 each) (not annualised)					
	(a) Basic	(0.88)	(0.90)	(10.58)	(1.78)	(10.64)
	(b) Diluted	(0.88)	(0.90)	(10.58)	(1.78)	(10.64)

For and on behalf of the Board of Directors

Date: 14th June 2021
Place: Mumbai



[Handwritten Signature]

Darpan Sanghvi
DIRECTOR
DIN : 02912102

SANGHVI BRANDS LIMITED
CIN: L74999PN2010PLC135586
SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
STANDALONE FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 MARCH, 2021
(Amt in Rs.)

Statement of Assets and Liabilities	As at	
	MARCH 31, 2021 (Audited)	MARCH 31, 2020 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	104,158,800	104,158,800
(b) Reserve and Surplus	12,414,131	30,973,373
Sub Total - Share Holders funds	116,572,931	135,132,173
2 Share application money pending allotment	-	-
3 Minority Interest		-
4 Non-Current Liabilities		
(a) Other long term liabilities		-
(b) Long - Term Provisions	1,422,120	1,873,743
Sub Total Non-Current Liabilities	1,422,120	1,873,743
5 Current liabilities		
(a) Trade payables		
- Micro Enterprises & Small Enterprises	-	-
- Other than Micro Enterprises & Small Enterprises	5,294,344	4,637,940
(b) Other current liabilities	4,711,034	12,860,144
(c) Short-term provisions	1,099,079	780,537
Sub Total-Current Liabilities	11,104,457	18,278,621
TOTAL EQUITY AND LIABILITIES	129,099,508	155,284,537
B ASSETS		
1 Non-Current Assets		
(a) Fixed Assets		
(i) Tangible assets	2,445,146	2,878,418
(i) Intangible assets	459,421	627,047
(b) Non-current investments	1,667,500	1,667,500
(c) Long-term loans and advances	6,989,733	6,921,676
(d) Other non current Assets	4,075,331	4,626,625
Sub Total Non-Current Assets	15,637,131	16,721,266
1 Current Assets		
(a) Inventories	6,459,782	8,291,342
(b) Trade receivables	9,896,909	25,131,992
(c) Cash and Bank balances	26,908,270	43,173,878
(d) Short-term loans and advances	70,065,877	61,578,398
(e) Other current assets	131,539	387,661
Sub Total-Current Assets	113,462,377	138,563,271
TOTAL ASSETS	129,099,508	155,284,537

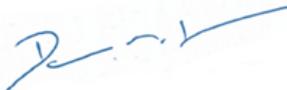
For and on behalf of the Board of Directors



Darpan Sanghvi

Date: 14th June 2021
Place: Mumbai

DARPAN SANGHVI
DIRECTOR
DIN : 02912102

SANGHVI BRANDS LIMITED CIN: L74999PN2010PLC135586 SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005 FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31 MARCH, 2021 (Amt in Rs.)		
Particulars	For the year ended Mar 31, 2021	For the year ended Mar 31, 2020
A. Cash flow from Operating Activities		
Profit/Loss before Tax	(18,559,242)	(110,865,818)
Adjustments for:		
Depreciation & Amortisation Expenses	846,775	12,948,489
Unrealized Foreign exchange Gain		
Sundry Credit Balances Appropriated	-	-
Interest income	(1,610,475)	(4,566,224)
Provision for Diminution of Investment	-	9,738,241
Impairment of Business Rights	-	17,261,380
Interest Expenses	-	-
Operating profit before working capital changes	(19,322,942)	(75,483,933)
Changes in:		
Trade and Other Receivables	15,235,083	(16,317,206)
Inventories	1,831,560	5,673,986
Loans and Advances- short term	(8,487,479)	28,235,072
Long term loans and advances	220,000	2,319,881
Other Current Assets	807,415	(217,595)
Trade and Other Payables	(7,625,787)	3,926,664
Cash generated from operations	(17,342,150)	(51,863,130)
Less: Taxes paid net of refund	(288,057)	(462,255)
Net Cash from Operating Activities (A)	(17,630,207)	(52,325,385)
B. Cash flow from Investing Activities		
Purchase of Fixed Assets/Capital Expenditure	(245,877)	(451,000)
Decrease in Investment	-	1,972,935
Interest Received	1,610,475	4,566,224
Decrease in Fixed Deposits	20,363,247	44,091,618
Net Cash used in Investing Activities (B)	21,727,845	50,179,777
C. Cash flow from Financing Activities		
Change in Borrowings	-	-
Interest Paid	-	-
Share issue expenses	-	-
Share issued	-	-
Premium on shares issued	-	-
Net Cash used in Financing Activities (C)	-	-
D. Net increase/decrease in cash and cash equivalents (A+B+C)	4,097,639	(2,145,608)
E. Opening Balance of Cash and Cash Equivalents	1,387,913	3,533,521
F. Closing Balance of Cash and Cash Equivalents (D+E)	5,485,552	1,387,913
Compunants of cash and cash equivalents		
cash in hand	31,694	110,094
With Banks:		
on Current Accounts	5,453,858	1,277,819
		
For and on behalf of the Board of Directors		
		
DARPAN SANGHVI DIRECTOR DIN : 02912102		
Date: 14th June 2021 Place: Mumbai		

Auditor's Report on the Consolidated Results for the half year and year ended March 31, 2021 of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Sanghvi Brands Limited

Opinion

We have audited the consolidated financial results of Sanghvi Brands Limited ('the Holding Company') and its subsidiary companies (the Holding Company and its subsidiaries are referred to as 'the Group') and its associate for the year ended March 31, 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Consolidated Financial Results").

In our opinion and to the best of our information and according to the explanations given to us these Consolidated Financial Results

- (i) include financial results of the following entities
 - a) Sanghvi Beauty and Salon Private Ltd
 - b) Sanghvi Fitness Private Ltd
 - c) Sanghvi Brands US Holdings Inc
 - d) Love of Spa RC SFO (LLC) step down subsidiary
 - e) Spa La Vie Beauty LLC WDC step down subsidiary
 - f) Sanghvi Brands and Beauty Spa LLC
 - g) Sanghvi Brand S L Private Limited
 - h) Anayan Software Consultancy Private Limited as an Associate

- (ii) have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

- (ii) give a true and fair view of the consolidated net loss and other financial information for the year ended March 31, 2021.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 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.

Impact of Covid 19 and material uncertainty related to going concern

We draw attention to Note 5 to the financial results which describes the actual and potential impact of outbreak of Covid 19 on the business operation of the Company and its subsidiaries in India and their future prospects. The Company and its subsidiaries in India had incurred net loss/net cash loss during the current and previous year. These conditions along with other matters set forth in Note 5 indicate the existence of a material uncertainty that may cast significant doubt about the Company's and its Subsidiaries' ability to continue as a going concern. The financial statements of the Group have however been prepared on a going concern basis based on various mitigating factors as detailed in the said note to the financial results.

Emphasis of matter

As explained in note 7, with regard to consolidated financial results, the share of profit / loss of the Group from one of the Associates was not considered for consolidation for the F Y 20-21. The group did not have access to the information, but considering the size and operations, the management is of the view that this would not have a material impact on the consolidated financial results for the year.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act; for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the respective Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Management/Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results 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 consolidated annual financial results.

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

- a. Identify and assess the risks of material misstatement of the financial results, 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.
- b. 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 system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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.
- e. Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

We did not audit the financial statements of 3 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets (before consolidation adjustments) of Rs 5,44,72,948/- as at March 31, 2021 as well as total revenue (before consolidation adjustments) of Rs 15,00,811/- and total profit/(loss) after tax (before consolidation adjustment) of Rs (1,84,04,370) for the year ended March 31, 2021. These financial statements and other financial information of 3 subsidiaries were audited by other auditors and our opinion on the consolidated financial results for the year ended March 31, 2021, to the extent they have been derived from such financial statements is based on solely on the report of such other auditor submitted to us by the management of the Company. Our opinion is not modified in respect of the above matter.

For **B. K. Khare & Co.**

Chartered Accountants

Firm Registration Number: 105102W

Shirish Suresh Digitally signed by Shirish
Suresh Rahalkar
Rahalkar Date: 2021.06.14 18:33:36
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Shirish Rahalkar

Partner

Membership No.:111212

UDIN:21111212AAAASC1961

Mumbai, June 14, 2021

SANGHVI BRANDS LIMITED
CIN: L74999PN2010PLC135586
SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR AND YEAR ENDED 31 MARCH, 2021 (Amt in Rs.)

Particulars	Half - Year Ended			Year Ended	
	September 30, 2020 (Unaudited)	March 31, 2021 (Unaudited)	March 31, 2020 (Unaudited)	March 31, 2021 (Audited)	March 31, 2020 (Audited)
INCOME					
1 (a) Revenue from operations	4,070,208	31,219,366	142,754,545	35,289,574	300,807,206
(b) Other Income	1,054,405	1,064,789	2,603,612	2,119,194	5,400,282
Total Revenue	5,124,613	32,284,155	145,358,157	37,408,768	306,207,488
2 Expenses					
(a) Cost of materials consumed	1,408,097	8,706,852	35,535,708	10,114,949	43,842,194
(b) Employee benefits expense	13,168,340	12,104,430	93,946,875	25,272,770	189,460,995
(c) Finance Costs	356,760	421,112	3,406,229	777,872	4,689,766
Depreciation, amortization & impairment expense					
(d) (Refer Note 5)	1,028,311	1,010,350	25,380,014	2,038,661	32,349,831
(e) License Fees	1,128,899	10,176,444	27,423,603	11,305,343	55,779,466
(f) Other expenses	6,702,371	38,704,558	43,527,922	45,406,929	71,124,572
Total expenses	23,792,778	71,123,745	229,220,350	94,916,524	397,246,824
3 Profit / (Loss) from operations before other income and exceptional items (1-2)	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
Other Income	-	-	-	-	-
4 Profit / (Loss) from ordinary activities before exceptional items	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
5 Profit / (Loss) from ordinary activities before exceptional items	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
6 Exceptional items	-	-	-	-	-
7 Profit / Loss from ordinary activities before tax (5 ± 6)	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
8 Tax Expenses :					
(a) Current tax expenses for the current year	-	-	-	-	-
(b) Deferred tax	-	-	-	-	-
9 Net Profit / (Loss) from ordinary activities after tax (7 ± 8)	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
10 Extraordinary items (net of tax expenses)	-	-	-	-	-
11 Net Profit (+) / (Loss) (-) for the period (9 ± 10)	(18,668,165)	(38,839,590)	(83,862,193)	(57,507,756)	(91,039,336)
12 Share of profit or loss of associates	-	-	(0)	-	(134,989)
13 Minority interest	-	-	-	-	-
14 Net Profit / Loss for the period after taxes, minority interest and share of profit / (loss) of associates (11 ± 12 ± 13)	(18,668,165)	(38,839,590)	(83,862,194)	(57,507,756)	(91,174,325)
15 Paid-up equity share Capital (Face Value of Rs.10/- per share)	104,158,800	104,158,800	104,158,800	104,158,800	104,158,800
16 Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	(40,660,696)	17,009,862
17 I. Earning per share (before extraordinary items) (of Rs. 10 each) (not annualised)					
(a) Basic	(1.79)	(3.73)	(8.04)	(5.52)	(8.74)
(b) Diluted	(1.79)	(3.73)	(8.04)	(5.52)	(8.74)
18 II. Earning per share (after extraordinary items) (of Rs. 10 each) (not annualised)					
(a) Basic	(1.79)	(3.73)	(8.04)	(5.52)	(8.74)
(b) Diluted	(1.79)	(3.73)	(8.04)	(5.52)	(8.74)

For and on behalf of the Board of Directors

Date: 14th June 2021
Place: Mumbai



[Signature]

Darpan Sanghvi
DIRECTOR
DIN : 02912102

SANGHVI BRANDS LIMITED
CIN: L74999PN2010PLC135586
SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 MARCH, 2021

(Amt in Rs.)

Statement of Assets and Liabilities	As at	
	MARCH 31, 2021 (Audited)	MARCH 31, 2020 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	104,158,800	104,158,800
(b) Reserve and Surplus	-40,660,696	17,009,862
Sub Total - Share Holders funds	63,498,104	121,168,662
2 Share application money pending allotment	-	-
3 Minority Interest	-	-
4 Non-Current Liabilities		
(a) Other long term liabilities	-	-
(b) Long - Term Provisions	2,021,225	2,468,756
Sub Total Non-Current Liabilities	2,021,225	2,468,756
5 Current liabilities		
(a) Trade payables		
- Micro Enterprises & Small Enterprises	-	-
- Other than Micro Enterprises & Small Enterprises	12,268,814	8,559,703
(b) Other current liabilities	15,788,581	27,965,323
(c) Short-term provisions	1,631,844	895,822
Sub Total-Current Liabilities	29,689,239	37,420,848
TOTAL EQUITY AND LIABILITIES	95,208,568	161,058,266
B ASSETS		
1 Non-Current Assets		
(a) Fixed Assets		
(i) Tangible assets	16,500,893	18,109,197
(ii) Intangible assets	504,741	689,219
(b) Non-current investments	1,056,251	1,056,251
(c) Long-term loans and advances	9,228,767	10,179,514
(d) Other non current Assets	4,251,695	4,788,197
Sub Total Non-Current Assets	31,542,347	34,822,378
1 Current Assets		
(a) Inventories	9,134,022	14,350,730
(b) Trade receivables	16,751,598	49,912,480
(c) Cash and Bank balances	30,337,058	47,992,038
(d) Short-term loans and advances	7,312,004	13,331,984
(e) Other current assets	131,539	648,656
Sub Total-Current Assets	63,666,221	126,235,888
TOTAL ASSETS	95,208,568	161,058,266

For and on behalf of the Board of Directors



Darpan Sanghvi

Date: 14th June 2021
Place: Mumbai

DARPAN SANGHVI
DIRECTOR
DIN : 02912102

SANGHVI BRANDS LIMITED
CIN: L74999PN2010PLC135586
SANGHVI HOUSE, 105/2, SHIVAJINAGAR, PUNE-411005
CONSOLIDATED FINANCIAL RESULTS FOR FOR THE HALF YEAR AND YEAR ENDED 31 MARCH, 2021 (Amt in Rs.)

Particulars	For the year ended Mar 31, 2021	For the year ended Mar 31, 2020
A. Cash flow from Operating Activities		
Profit/Loss before Tax	(57,507,757)	(91,039,335)
Adjustments for:		
Depreciation & Amortisation Expenses	2,037,161	15,086,951
Unrealized Foreign exchange Gain	777,497	(2,150,030)
Sundry Credit Balances Appropriated	-	-
Interest income	(1,625,267)	(4,577,443)
Provision for Diminution of Investment	-	-
Impairment of Business Rights	-	17,261,380
Interest Expensres	-	-
Operating profit before working capital changes	(56,318,365)	(65,418,477)
Changes in:		
Trade and Other Receivables	33,160,878	(19,860,817)
Inventories	5,216,708	19,350,633
Loans and Advances- short term	(5,598,173)	(22,677,189)
Long term loans and advances	410,907	(3,677,288)
Other Current Assets	1,053,618	(122,263)
Trade and Other Payables	(8,179,141)	7,246,520
Cash generated from operations	(30,253,568)	(85,158,880)
Less: Taxes paid net of refund	700,297	43,372
Net Cash from Operating Activities (A)	(29,553,271)	(85,115,508)
B. Cash flow from Investing Activities		
Purchase of Fixed Assets/Capital Expenditure	(244,377)	(498,441)
Decrease in Investment	-	1,972,935
Interest Received	1,625,267	4,577,443
Decrease in Fixed Deposits	20,363,247	44,091,618
Net Cash used in Investing Activities (B)	21,744,137	50,143,555
C. Cash flow from Financing Activities		
Change in Borrowings	10,517,400	32,904,090
Interest Paid	-	-
Share issue expenses	-	-
Share issued	-	(1,953,674)
Premium on shares issued	-	-
Net Cash used in Financing Activities (C)	10,517,400	30,950,415
D. Net increase/decrease in cash and cash equivalents (A+B+C)	2,708,267	(4,021,541)
E. Opening Balance of Cash and Cash Equivalents	6,206,073	10,227,614
F. Closing Balance of Cash and Cash Equivalents (D+E)	8,914,340	6,206,073
Compunants of cash and cash equivalents		
cash in hand	345,600	503,748
With Banks:		
on Current Accounts	8,568,740	5,702,325



For and on behalf of the Board of Directors

Date: 14th June 2021
Place: Mumbai

DARPAN SANGHVI
DIRECTOR
DIN : 02912102

Notes

- 1 The above consolidated financial results for the half year and year ended 31 March 21 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on 14 June 2021
- 2 The figures for the half year ended 31st March, 2021 are the balancing figures between reviewed figures in respect of the Half Year ended 30th September 2020 and audited figures for the financial year ended on 31st March 2021.
- 3 During the previous year ended 31 March 2018, the Company had issued 27,48,000 equity shares of Rs. 10/- each at a premium of Rs. 59/- per share by way of an initial public offering amounting Rs. 1896.12 Lakhs. Of this, the unutilized amount as on 31 March 21 is Rs 2,78,04,059/-
- 4 Depreciation, amortization & impairment expense amount of March 20 includes impairment of Intangible assets of Rs.1,72,61,380
- The business of the Group has been severely impacted during the year on account of Covid 19. The Company and its subsidiaries in India witnessed significant reduction in revenues due to the lockdown imposed during the first six months of the year and a significant number of the Company's locations had to be temporarily closed. With the unlocking of restrictions, all the Company's locations have been opened and business is expected to gradually improve across all locations. During the second half of the year, the Company witnessed some signs of recovery of demand, especially in leisure destinations. With onset of second wave of the COVID-19 pandemic in the last few months of the year in some States, many of the spa and salon locations have been closed again.
- 5 The Group's management has assessed the actual and potential impact of COVID-19 in preparation of the standalone and consolidated financial statements of the Company, including but not limited to its assessment of liquidity and going concern assumption. The Company has considered internal and external information and analysed the impact based on current estimates in assessing the sales projections, liquidity, manpower, availability of spa and salon treatment material, inventory, recoverability of receivables, unbilled receivables, intangible assets and other financial assets and liabilities. Management has considered renewed negotiations with vendors and certain write-down/provisioning in case of receivables. In order to ensure liquidity in foreseeable future, and to enable the Company to meet its obligations the management has prepared an operating and financial plan for the year 2021-22. Based on above the management is confident that the Company and its Subsidiaries in India will be able to realise its assets at stated amounts and meet its liabilities as and when they fall due. Accordingly, financial statements have been prepared on going concern basis. Further, management believes that the Company and its Subsidiaries in India will be able to resume normal operations gradually once the unlock process starts and all the locations become operative.
- 6 Exceptional items in the standalone results of March 20 represents provision made during the year for diminution in value of investments in subsidiaries and advances given to them.
- 7 With regard to consolidated financial results, the share of profit / loss of the Group from one of the Associates has not taken for consolidation purpose. The group did not have access to the information, but considering the size and operations, the management is of the view that this would not have a material impact on the consolidated financial results for the year.
- 8 The Consolidated financial results include the financial results of three overseas subsidiaries audited by other auditors located at USA, UAE and Sri Lanka. These overseas subsidiaries were incurring operational losses in the past years and operations of these companies were completely shut down from March 20 due to Covid-19 impact. Consequent to this, the major revenue source of these entities has stopped. In the absence of business opportunities for the entity in USA management decided to close down the operations of the US subsidiary. Operations of the subsidiaries at UAE and Sri Lanka have been closed down.
- 9 The Company has invested Rs 1,00,000/- in equity capital of its wholly owned domestic subsidiary – Sanghvi Beauty and Salons Private Ltd and had also granted unsecured loan aggregating to Rs 5,46,11,778/-. Due to the outbreak of Covid 19, operations of the subsidiary company are temporarily closed. In addition to this, the subsidiary company has been incurring losses and its net worth as on March 21, is negative Rs 5,56,84,367/- The Management has considered that erosion in net worth is temporary and expects improvements in operations after the conditions return to normal and which is expected by Q2 in F Y 21-22.
- 10 The Company has invested Rs. 97,500/- in the equity share capital of its subsidiary - Sanghvi Fitness Private Limited and given unsecured loan of Rs 1,08,60,300/- The subsidiary company has been incurring losses for past few years and its net worth as on March 21, is negative Rs.1,02,44,159 /. The Management has considered that erosion in net worth is temporary and expects improvements in operations after the conditions returns to normal and which is expected by Q2 in F Y 21-22.
- 11 Previous period's / year's figures have been regrouped wherever necessary to conform to the current period's classification.
- 12 The aforesaid Financial Results will be uploaded on the Company's website www.sanghvibrands.com and will also be available on the websites of BSE Limited www.bseindia.com for the benefit of shareholders and investors.

Date: 14th June 2021
Place: Mumbai



For and on behalf of the Board of Directors

DARPAN SANGHVI
DIRECTOR
DIN : 02912102



Sanghvi Brands Limited

(Formerly known As Sanghvi Brands Private Limited)

14th June 2021

To,
BSE Limited,
P.J.Towers, Dalal Street,
Mumbai – 400 001

Security ID: SBRANDS

Security Code: 540782

Subject: Declaration for unmodified opinion on Auditor Report on Annual Audited Financial Result for the Half year and Year ended 31st March 2021

Dear Sir/Madam,

Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm and declare that the Statutory Auditors of the Company M/s. B. K. Khare & Co., Chartered Accounts have issued Auditor's Report's with unmodified opinion in respect of the Audited Financial Results (Standalone & Consolidated) for the half year/year ended 31st March 2021 approved at the Board Meeting held today on 14th June 2021.

We request you to take submissions on record.

Thanking You,

For Sanghvi Brands Limited

(Formerly known as Sanghvi Brands Private Limited)

Laxmi Navayam Rathi
Laxmi Rathi
Chief Financial Officer



CIN: L74999PN2010PLC135586

Registered Office: 'Sanghvi House', 105 / 2,
Shivajinagar, Topkhana Road, Pune - 411005, India
Tel: 020 67634800

E-mail : info@sanghvibrands.com

Website : www.sanghvibrands.com