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**Independent Auditor's Report**

**To the Members of Cocoblu Retail Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of Cocoblu Retail Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

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

**Information other than the Financial Statements and Auditor's Report thereon**

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

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





In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The Directors' Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. 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**

8. 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 Standards on Auditing 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.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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 management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
  - 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.
10. 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.

#### **Report on Other Legal and Regulatory Requirements**

11. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
12. 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.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - c) The financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and 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 paragraph 13(b) above on reporting under section 143(3)(b) of the Act and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2024 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and





- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- (i) the Company does not have any pending litigations which would impact its financial position as at 31 March 2024;
  - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2024;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2024
  - (iv)
    - a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 47(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the year ended 31 March 2024.
  - vi. As stated in note 46 to the financial statements and based on our examination which included test checks except for instances mentioned below, the Company, in respect of financial year commencing on 1 April 2023, has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:
    - i. The audit trail (edit log) feature in the accounting software used for maintenance of other expenses, borrowings and general ledgers of the Company was not enabled for the period 1 April 2023 to 29 May 2023;
    - ii. The audit trail (edit log) was not enabled at the database level for the accounting software to log any direct data changes, used for maintenance of revenue, purchases and certain expenses by the Company;





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- iii. The accounting software used for maintenance of payroll records of the Company is operated by a third-party software service provider. In the absence of any information on the existence of audit trail feature in the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ('Type 2 report' issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information), we are unable to comment on whether audit trail feature at the database level of the said software was enabled and operated throughout the year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Deepak Mittal**

Partner

Membership No.: 503843



UDIN: 24503843BKFAPW5264

**Place:** New Delhi

**Date:** 28 May 2024



**Annexure A referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited on the financial statements for the year ended 31 March 2024**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- (B) The Company does not have any intangible assets and accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment and relevant details of right-of-use assets under which the assets are physically verified in a phased manner over a period of two years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- Further, for properties where the Company is a lessee and the lease agreements are duly executed in favour of the lessee, the Company has entered into sub-leasing arrangements in one case.
- (d) The Company has not revalued its property, plant and equipment (including right-of-use assets) during the year. Further, the Company does not hold any intangible assets.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) As explained in note 45 to the accompanying financial statements, the Company's inventory is stored in various fulfilment centers run by online marketplace platform. The management relies on the inventory records produced by the online marketplace platform's and the Company is not exposed to inventory risk due to any damage or loss. Further, Inventories lying with the third parties have been confirmed by such parties as at 31 March 2024 and there are no material discrepancies identified by the management from verification of aforesaid inventory records or confirmation received from the third parties.
- (b) As disclosed in Note 18 to the financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks and/or financial institutions based on the security of current assets. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods which were not subject to audit/review, except for the following:





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Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited on the financial statements for the year ended 31 March 2024

(Amount in Rs. lakhs)

Name of the Banks/ Financial Institutions	Working capital limit sanctioned	Nature of current assets offered as security	Quarter	Current asset type	Amount disclosed as per return	Amount as per books of accounts	Difference	Remarks
RBL Bank Limited, IndusInd Bank Limited, Capsave Finance Private Ltd, Livfin India Private Limited, Equentia Financial Services Private Limited, Blacksoil Capital Private Limited, Minions Ventures Private Limited, Tata Capital Limited, Fincare Small Finance Bank Limited, Mahindra and Mahindra Financial Services Limited, Incred Financial Services Ltd, Kisetsu Saison Finance India Private Limited, Ratnaafin Capital Private Limited	54,750.00	All Current Assets	Quarter 4	Stock	1,04,514.00	1,04,479.22	34.78	Refer note 18 to the financial statements
				Book Debts	5,744.00	5,676.65	67.35	

(iii) The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.

(iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.





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### Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited on the financial statements for the year ended 31 March 2024

- (ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(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 made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, 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 Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.





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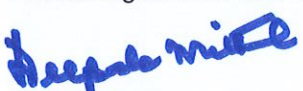
**Annexure A referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited on the financial statements for the year ended 31 March 2024**

- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandio & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013



**Deepak Mittal**

Partner

Membership No.: 503843



UDIN: 24503843BKFAPW5264

**Place:** New Delhi

**Date:** 28 May 2024



**Annexure B to the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited, on the financial statements for the year ended 31 March 2024**

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**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

1. In conjunction with our audit of the financial statements of Cocoblu Retail Limited ('the Company') as at and for the period ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

**Responsibilities of Management for Internal Financial Controls**

2. The Company's Board of Directors is 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements**

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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.
4. 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 includes obtaining an understanding of such internal financial controls, 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.
5. 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**

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements 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





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## **Annexure B to the Independent Auditor's Report of even date to the members of Cocoblu Retail Limited, on the financial statements for the year ended 31 March 2024**

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**

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

### **Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such 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.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013



**Deepak Mittal**  
Partner  
Membership No.: 503843



**UDIN:** 24503843BKFAPW5264

**Place:** New Delhi  
**Date:** 28 May 2024



	Note	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4A	170.18	150.83
(b) Right of use assets	4B	2,472.35	2,932.04
(c) Financial assets			
(i) Other financial assets	5	3,636.00	126.13
(d) Deferred tax assets (net)	6	273.32	139.44
(e) Income tax assets (net)	12	3,696.92	3,823.48
		<b>10,248.77</b>	<b>7,171.92</b>
<b>Current assets</b>			
(a) Inventories	7	90,371.45	1,01,517.32
(b) Financial assets			
(i) Investments	8	-	-
(ii) Trade receivables	9	3,981.79	4,248.05
(iii) Cash and cash equivalents	10	6,325.88	2,800.99
(iv) Bank balances other than cash and cash equivalents	11	9,506.01	9,720.97
(v) Other financial assets	5	7,878.74	6,381.59
(c) Other current assets	13	22,900.94	14,177.74
		<b>1,40,964.81</b>	<b>1,38,846.66</b>
<b>TOTAL ASSETS</b>		<b>1,51,213.58</b>	<b>1,46,018.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	3,501.00	3,501.00
(b) Other equity	15	40,358.25	35,705.72
		<b>43,859.25</b>	<b>39,206.72</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	16	2,337.70	2,783.49
(b) Provisions	17	297.05	144.03
		<b>2,634.75</b>	<b>2,927.52</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	46,852.11	43,214.16
(ii) Lease liabilities	16	187.73	234.38
(iii) Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		20,430.36	9,388.56
Total outstanding dues of creditors other than micro enterprises and small enterprises		33,391.23	48,036.93
(iv) Other financial liabilities	20	3,219.15	2,360.73
(b) Provisions	17	12.32	5.11
(c) Other current liabilities	21	626.68	644.47
		<b>1,04,719.58</b>	<b>1,03,884.34</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,51,213.58</b>	<b>1,46,018.58</b>

Material accounting policy information and accompanying notes are integral part of the financial statements

This is the balance sheet referred to in our report of even date.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

  
Deepak Mittal  
Partner  
Membership No. : 503843  
  
Place : New Delhi  
Date : 28 May 2024

For and on behalf of the Board of Directors

  
Surinder Kumar Aery  
Director  
DIN-02430754


Place : New Delhi  
Date : 28 May 2024

  
Amit Jain  
Director  
DIN-06802414

Place : New Delhi  
Date : 28 May 2024

  
Chandramouli Venkataraman  
Chief Executive Officer

Place : Bangalore  
Date : 28 May 2024

  
Soumik Bhusan  
Director and Chief Financial Officer  
DIN-08938408

Place : Bangalore  
Date : 28 May 2024

  
Mayanka Srivastava  
Company Secretary

Place : Bangalore  
Date : 28 May 2024





Cocoblu Retail Limited (CIN : U52399DL2021PLC388574)  
Statement of profit and loss for the year ended 31 March 2024  
(All amount in Rs. Lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Revenue</b>			
Revenue from operations	22	5,48,961.08	4,06,567.66
Other income	23	1,631.62	1,349.58
		<b>5,50,592.70</b>	<b>4,07,917.24</b>
<b>Expenses</b>			
Purchase of stock-in-trade	24	4,47,269.85	4,36,640.96
Changes in inventories of stock-in-trade	25	11,145.87	(97,680.52)
Employee benefits expense	26	7,924.13	5,836.59
Finance costs	27	7,904.03	2,831.32
Depreciation and amortisation expense	28	574.28	413.59
Other expenses	29	69,395.06	53,821.21
		<b>5,44,213.22</b>	<b>4,01,863.15</b>
<b>Profit for the year</b>		<b>6,379.48</b>	<b>6,054.09</b>
<b>Tax expenses</b>			
Current tax expense	36	1,790.53	1,496.40
Adjustment relating to earlier years		80.76	-
Deferred tax credit	6	(136.52)	(139.29)
<b>Profit after tax</b>		<b>4,644.71</b>	<b>4,696.98</b>
<b>Other Comprehensive Income</b>			
(i) Items that will not be reclassified to profit and loss			
- Remeasurements of the defined benefit plans		(10.47)	0.60
- Income tax relating to items that will not be reclassified to profit or loss		2.64	(0.15)
<b>Other comprehensive (income)/loss for the year</b>		<b>(7.83)</b>	<b>0.45</b>
<b>Total comprehensive income for the year</b>		<b>4,652.54</b>	<b>4,696.53</b>
<b>Earnings per equity share</b>	35		
Basic (Rs.)		13.27	14.68
Diluted (Rs.)		13.27	14.68

Material accounting policy information and accompanying notes are integral part of the financial statements


This is the statement of profit and loss referred to in our report of even date.

For Walker Chandio & Co LLP  
Chartered Accountants  
Firm Registration No.: 001076N/ N500013

  
**Deepak Mittal**  
Partner  
Membership No. : 503843  
  
Place : New Delhi  
Date : 28 May 2024

For and on behalf of the Board of Directors

  
**Surinder Kumar Aery**  
Director  
DIN-02430754  
Place : New Delhi  
Date : 28 May 2024

  
**Amit Jain**  
Director  
DIN-06802414  
Place : New Delhi  
Date : 28 May 2024

  
**Chandramouli Venkataraman**  
Chief Executive Officer  
Place : Bangalore  
Date : 28 May 2024

  
**Soumik Bhusan**  
Director and Chief Financial Officer  
DIN-08938408  
Place : Bangalore  
Date : 28 May 2024

  
**Mayanka Shivastava**  
Company Secretary  
Place : Bangalore  
Date : 28 May 2024





Cocoblu Retail Limited (CIN : U52399DL2021PLC388574)  
Cash flow statement for the year ended 31 March 2024  
(All amount in Rs. Lakhs, unless otherwise stated)

**A CASH FLOWS FROM OPERATING ACTIVITIES**

	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	6,379.48	6,054.09
<b>Adjustments for:</b>		
Depreciation and amortisation expense	574.27	413.59
Interest income	(841.53)	(303.36)
Profit on sale of investments	(255.34)	(964.23)
Loss on sale of property, plant and equipment	2.62	-
Gain on lease modification	(193.36)	-
Finance costs	7,904.02	2,831.32
<b>Operating profit before working capital changes</b>	<b>13,570.16</b>	<b>8,031.41</b>
<b>Movement in working capital</b>		
Decrease/(increase) in inventories	11,145.87	(97,680.52)
Increase in other financial assets	(1,603.74)	(6,383.09)
Increase in other current assets	(8,723.18)	(13,445.99)
Decrease/(increase) in trade receivables	266.26	(4,155.44)
Decrease/(increase) in trade payables	(3,603.94)	53,195.24
Increase in other financial liabilities	858.42	1,797.79
Increase in other current liabilities	152.93	743.40
<b>Cash generated from/(used in) operating activities post working capital changes</b>	<b>12,062.78</b>	<b>(57,897.20)</b>
Income tax paid (net)	(1,744.73)	(5,305.32)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>10,318.05</b>	<b>(63,202.52)</b>

**B CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of property, plant and equipment	(96.91)	(139.51)
Sale of property, plant and equipment	2.07	-
Proceeds from sale of investment (net)	255.34	16,411.49
Movement in fixed deposits (net)	(3,213.88)	(9,553.56)
Interest received	750.26	131.23
<b>Net cash flow (used in)/generated from investing activities (B)</b>	<b>(2,303.12)</b>	<b>6,849.65</b>

**C CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from issuance of capital (including Rs 19,000 lakhs converted out of intercorporate deposits received during the year ended 31 March 2023)	-	19,000.00
Payments of lease liabilities	(507.81)	(413.10)
Proceeds from intercorporate deposits (net)	-	18,959.00
Proceeds from short term borrowings (net)	3,630.10	23,964.60
Interest paid	(7,612.33)	(2,386.60)
<b>Net cash flow (used in)/generated from financing activities (C)</b>	<b>(4,490.04)</b>	<b>59,123.90</b>
<b>Increase in cash and cash equivalents (A+B+C)</b>	<b>3,524.89</b>	<b>2,771.03</b>
Cash and cash equivalents at the beginning of the year	2,800.99	29.96
<b>Cash and cash equivalents at the end of the year</b>	<b>6,325.88</b>	<b>2,800.99</b>

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Cocoblu Retail Limited (CIN : U52399DL2021PLC388574)  
Cash flow statement for the year ended 31 March 2024  
(All amount in Rs. Lakhs, unless otherwise stated)

**Notes:**

- a) Cash and cash equivalent comprises of : (refer note 10)  
Cash on hand  
Balances with banks  
Current accounts

As at 31 March 2024	As at 31 March 2023
-	9.00
6,325.88	2,791.99
<b>6,325.88</b>	<b>2,800.99</b>

- b) Refer note 37 for reconciliation of liabilities arising from financing activities

The Statement of Cash Flow has been prepared in accordance with 'Indirect method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

Material accounting policy information and accompanying notes are integral part of the financial statements

This is the cash flow statement referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

*Deepak Mittal*

Deepak Mittal

Partner

Membership No. : 503843

Place : New Delhi

Date : 28 May 2024



For and on behalf of the Board of Directors

*Surinder Kumar Aery*

Surinder Kumar Aery

Director

DIN-02430754

Place : New Delhi

Date : 28 May 2024

*Amit Jain*

Amit Jain

Director

DIN-06802414

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Date : 28 May 2024

*Soumik Bhusan*

Soumik Bhusan

Director and Chief Financial Officer

DIN-08938408

Place : Bangalore

Date : 28 May 2024

*Mayanka Srivastava*

Mayanka Srivastava

Company Secretary

Place : Bangalore

Date : 28 May 2024





**A Equity share capital (refer note 14)**

As at 31 March 2023

Particulars	Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
Equity Share Capital	1,601.00	-	1,601.00	1,900.00	3,501.00

As at 31 March 2024

Particulars	Balance at the beginning of the year	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
Equity Share Capital	3,501.00	-	3,501.00	-	3,501.00

**B Other equity (refer note 15)**

Particulars	Reserves and Surplus			Total
	Securities premium	Debenture Redemption Reserve	Retained earnings	
Balance as at 1 April 2022	14,400.00	-	(490.81)	13,909.19
Profit for the year	-	-	4,696.98	4,696.98
Other comprehensive income (net of tax)	-	-	(0.45)	(0.45)
Premium on issue of shares during the year	17,100.00	-	-	17,100.00
<b>Balance at the end of the year</b>	<b>31,500.00</b>	<b>-</b>	<b>4,205.72</b>	<b>35,705.72</b>
Profit for the year	-	-	4,644.71	4,644.71
Transfer to Debenture Redemption Reserve (refer note 48)	-	632.52	(632.52)	-
Other comprehensive income (net of tax)	-	-	7.83	7.83
<b>Balance at the end of the year</b>	<b>31,500.00</b>	<b>632.52</b>	<b>8,225.73</b>	<b>40,358.25</b>

Material accounting policy information and accompanying notes are integral part of the financial statements

This is the Statement of Changes in Equity referred to in our report of even date.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/ N500013

*Deepak Mittal*

Deepak Mittal

Partner

Membership No. : 503843

Place : New Delhi

Date : 28 May 2024



For and on behalf of the Board of Directors

*Surinder Kumar Aery*

Surinder Kumar Aery

Director

DIN-02430754

Place : New Delhi

Date : 28 May 2024

*Amit Jain*

Amit Jain

Director

DIN-06802414

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Director and Chief Financial Officer

DIN-08938408

Place : Bangalore

Date : 28 May 2024

*Mayanka Srivastava*

Mayanka Srivastava

Company Secretary

Place : Bangalore

Date : 28 May 2024





## 1. Corporate Information

### Nature of Operations

Cocoblu Retail Limited ("the Company") was incorporated on 21 October 2021. The Company is a public company domiciled and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is situated at 5th Floor, Tower-B, Worldmark 1, Aerocity, New Delhi-110037. The company is engaged in retail supply of various products through e-commerce marketplace platform.

The financial statements for the year ended 31 March 2024 were approved by the Board of Directors and authorised for issue on 28 May 2024.

## 2. Material Accounting policies

### a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) read with section 133 of Companies Act, 2013 and presentation requirements of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), on the historical cost basis except for certain financial instruments that are measured at fair values, as explained in the accounting policies below.

The financial statements are presented in INR (Rs.) which is also the Company's functional currency, and all values are rounded to the nearest lakhs, except when otherwise indicated.

All assets and liabilities are classified as current and non-current as per Company's normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realised within 12 months and Current Liabilities do not include items which are due after 12 months, the period of 12 months being reckoned from the reporting date.

Deferred Tax Assets and liabilities are classified as non-current assets and liabilities.

### b) Revenue recognition

The Company earns revenue primarily from sale of traded goods on e-commerce marketplace platform.

Revenue is recognised upon transfer of control of goods or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the shipping and gift wrapping services (mentioned below), because it controls the goods or services before transferring them to the customer. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. Further, the Company collects Goods and Services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

#### *Sale of traded goods*

Revenue from sale of goods including scrap sales is recognised at the point in time when control of the asset is transferred to the customer. The Company transfers the control as and when it dispatches the goods to customers. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the rights of return by the customers.

#### *Shipping and gift wrapping services*

The Company is not the primary obligor in respect of shipping and gift wrapping services and accordingly recognizes revenue at net amount of consideration that the Company retains after paying shipping and gift wrapping charges to the service provider.





*Income from sale promotion schemes*

The Company derives income from participating in promotional schemes launched by online marketplace platform. Revenue is recognised when all the conditions of promotional schemes are fulfilled by the Company and is presented on a gross basis if it is received for a distinct service rendered to the marketplace platform.

*Interest Income*

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

*Contract asset*

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

*Contract liability*

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

*Variable Consideration*

Rights of return, volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. The management estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgement and are based largely on an assessment of the Company's anticipated performance and all information that is reasonably available.

*Assets and liabilities arising from rights of return:*

*Right of return assets*

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned goods.

*Refund liabilities*

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

*Income from sale promotion schemes*

The Company derives income from participating in promotional schemes launched by online marketplace platform. Revenue is recognised when all the conditions of promotional schemes are fulfilled by the Company and is presented on a gross basis if it is received for a distinct service rendered to the marketplace platform. Further, the Company collects Goods and Services tax (GST) on behalf of the government and, therefore, these are not economic benefits flowing to the Company.





**c) Property, plant and equipment***Recognition and initial measurement*

Property plant and equipment are stated at their cost of acquisition. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

*Subsequent measurement (depreciation and useful lives)*

In respect of Property, plant and equipment covered under part A of Schedule II to the Companies Act, 2013, depreciation is recognised based on the cost of assets less their residual values over their useful lives, using the straight-line method in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 as follows:

Particulars	Useful life as per Schedule II of the Act
Office Equipment	5 years
Computers	3 years
Furniture and Fixtures	10 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

*Derecognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

**d) Leases****Company as a lessee**

The Company recognises right-of-use assets and lease liabilities for all leases except for short-term leases and leases of low-value assets.

The Company applies the available practical expedients wherein it:

- Uses a single discount rate to a portfolio of leases
- Relies on its assessment of whether leases are onerous immediately before the date of initial application
- Applies the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excludes the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Determining the lease term of contracts with renewal and termination options where Company is lessee - The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.
- The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination.





### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

### Lease Liability

The Company records the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

### Short-term Leases and Leases of Low-Value Assets

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

### Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

#### *Finance leases*

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognised as revenue in the period in which they are earned.

#### *Operating leases*

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. The respective leased assets are included in the balance sheet based on their nature. Rental income is recognized on straightline basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

Such lease is classified as operating lease, and as such the revenue is recognized on straight line basis. Considering that the capacity charges per unit is higher in the initial years, there is a negative charge to Statement of Profit and loss account of straightlining.





**e) Impairment of non-financial assets**

At each reporting date, the Company assesses whether there is any indication based on internal/ external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit ("CGU") to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

The Company enters into transaction with suppliers that involves prepayment in conjunction with advances for goods and services wherein the Company assesses at each reporting date whether goods against the advance is recoverable and if there is any indication, the asset may be provided.

**f) Financial instruments**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs, unless the financial instrument is designated to be measured at fair value through profit or loss (FVPL) or fair value through other comprehensive income (FVOCI).

**Financial assets**

*Subsequent measurement*

Financial assets at amortised cost – the financial assets are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All other debt instruments are measured at FVOCI or FVTPL based on Company's business model. All investments in mutual funds in scope of Ind-AS 109 are measured at FVTPL.

*Classification*

**Financial assets measured at amortised cost**

Financial assets that meet the criteria for subsequent measurement at amortised cost are measured using effective interest method ("EIR") (except for debt instruments that are designated as at fair value through profit or loss on initial recognition). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

**Financial assets at fair value through other comprehensive income (FVTOCI)**

Financial assets that meet the criteria for initial recognition at FVTOCI are remeasured at fair value at the end of each reporting date through other comprehensive income (OCI).

**Financial assets at fair value through profit or loss (FVTPL)**

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are remeasured at fair value at the end of each reporting date through profit and loss



### **Impairment of financial assets**

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### **Trade receivables**

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

#### **Other financial assets**

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided, otherwise provides for 12 month expected credit losses.

### **De-recognition of financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

### **Financial liabilities and equity instruments**

#### **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Financial liabilities subsequent measurement**

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings and deposits.

#### **Classification of Financial liabilities**

Financial liabilities at fair value through profit or loss (FVTPL) Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company those are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. Subsequent changes in fair value of liabilities are recognised in the statement of profit and loss.

### **Financial liabilities measured at amortised cost**

Financial liabilities that are not held-for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the statement of profit and loss.





*De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**g) Inventories**

Traded goods are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on First-in First-out (FIFO) basis. Cost includes all charges in bringing the goods to the point of consumption, including taxes and other levies, transit insurance and receiving charges. Discounts received from vendors, to the extent they relate to quantities in stock at the reporting date, are reduced from cost of inventories.

Net realisable value is the estimated selling price in the ordinary course of business and estimated necessary costs to make the sale.

An inventory provision is recognised for cases where the net realisable value is estimated to be lower than the inventory carrying value. The Company estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by fast-changing market where there is a risk of inventory falling out of trend that may reduce future selling prices.

**h) Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

*Current Tax*

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

*Deferred tax*

Deferred tax is recognised for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date. Deferred tax liabilities are generally recognised for all taxable temporary differences except when the deferred tax liability arises at the time of transaction that affects neither the accounting profit or loss nor taxable profit or loss. Deferred tax assets are generally recognised for all deductible temporary differences, carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carry forward of unused tax credit and unused tax losses can be utilised, except when the deferred tax asset relating to temporary differences arising at the time of transaction affects neither the accounting profit or loss nor the taxable profit or loss. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.





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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognised. The effect of the uncertainty is recognised using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

**i) Cash and cash equivalents**

Cash and cash equivalents comprise Cash on hand, demand deposits with banks/ corporations and short-term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

**j) Employee benefits**

*Defined contribution plans*

The Company makes contribution to the statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provision Act, 1952 which is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the services are rendered.

*Defined benefit plans*

Gratuity is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

*Compensated Absences:*

Provision for compensated absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

*Short-term employee benefits*

These are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.





**k) Provisions, contingent assets and contingent liabilities**

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company, or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. The contingent liabilities are disclosed where it is management's assessment that the outcome of any litigation and other claims against the Company is uncertain or cannot be reliably quantified, unless the likelihood of an adverse outcome is remote.

Contingent assets are not recognised. However, when inflow of economic benefit is probable, related asset is disclosed.

**l) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

**m) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

All operating segments' results are reviewed regularly by the Board of Directors, who have been identified as the CODM, to allocate resources to the segments and assess their performance.

- n)** Certain prior year amounts have been reclassified for consistency with the current year presentation. Such reclassification does not have any impact on the current year financial statements.

**o) Recent accounting pronouncements:**

*New and Amended Standards Adopted by the Company:*

The Company has applied the following amendments for the first time for their annual reporting period commencing April 1, 2023:

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments to Ind AS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

**Ind AS 1 – Presentation of Financial Statements**

The amendments to Ind AS 1 provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. This amendment did not have any material impact on the Company's financial statements and disclosures.



## Ind AS 12 – Income Taxes

The amendments to Ind AS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The Company previously recognised for deferred tax on leases on a net basis. Pursuant to the aforementioned amendment, the Company has grossed-up the Deferred tax assets (DTA) and Deferred tax liabilities (DTL) recognised in relation to leases w.e.f. 1 April 2022. However, the said gross-up has no impact on the net deferred tax liabilities/expense presented in the financial statements.

*New Standards/Amendments notified but not yet effective:*

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

### 3. Significant management accounting judgements, estimates and assumptions

The preparation of the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant. The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period of revision and future periods if the revision affects both the current and future periods. Uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the following notes:

Recognition and estimation of tax expense including deferred tax – Note 3(h) and Note 6  
Estimated impairment of financial assets and non-financial assets – Note 3(e) and Note 3(f)  
Assessment of useful life of property, plant and equipment – Note 3(c) and Note 4A and 4B  
Estimation of assets and obligations relating to employee benefits – Note 3(j) and Note 30  
Valuation of inventories – Note 3(g), Note 7 and Note 45  
Customer refunds – Note 3(b) and Note 20  
Variable consideration - Note 3(b) and Note 22  
Leases – Note 3(d) and Note 40  
Fair value measurement – Note 3(f) and Note 31  
Expected credit loss – Note 3(f), Note 9 and Note 32





**4A. Property, plant and equipment**

Details of the Company's property, plant and equipment and their carrying amounts are as follows:

Particulars	Office Equipment	Computers	Furniture and Fixtures	Total
<b>Gross carrying amount</b>				
Balance as at 01 April 2022	22.25	33.07	-	55.32
Additions	2.18	130.00	7.33	139.51
Disposals/adjustments	-	-	-	-
<b>Balance as at 31 March 2023</b>	24.43	163.07	7.33	194.83
Additions	40.90	55.74	0.27	96.91
Disposals/ adjustments	(7.09)	-	-	(7.09)
<b>Balance as at 31 March 2024</b>	58.24	218.81	7.60	284.65
<b>Accumulated depreciation</b>				
Balance as at 01 April 2022	1.07	0.48	-	1.55
Depreciation for the year	4.06	37.73	0.66	42.45
Disposals/adjustments	-	-	-	-
<b>Balance as at 31 March 2023</b>	5.13	38.21	0.66	44.00
Depreciation for the year	7.54	59.00	6.34	72.88
Disposals/ adjustments	(2.41)	-	-	(2.41)
<b>Balance as at 31 March 2024</b>	10.26	97.21	7.00	114.47
<b>Net carrying amount</b>				
Balance as at 31 March 2024	47.98	121.60	0.60	170.18
Balance as at 31 March 2023	19.30	124.86	6.67	150.83

(i) The Company has not capitalised any borrowing costs during the year ended 31 March 2024 and 31 March 2023.

(ii) Property, plant and equipment are hypothecated with the banks/financial institutions against borrowing facilities. (also refer note 18)

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**4B. Right of use (also refer note 40)**

Details of the Company's right of use and their carrying amounts are as follows:

Particulars	Office Premises	Total
<b>Gross carrying amount</b>		
Balance as at 01 April 2022	3,363.16	3,363.16
Additions	-	-
Disposals/adjustments	-	-
<b>Balance as at 31 March 2023</b>	<b>3,363.16</b>	<b>3,363.16</b>
Additions	2,687.96	2,687.96
Disposals/adjustments	(2,646.25)	(2,646.25)
<b>Balance as at 31 March 2024</b>	<b>3,404.87</b>	<b>3,404.87</b>
<b>Accumulated depreciation</b>		
Balance as at 01 April 2022	59.98	59.98
Charge for the year	371.14	371.14
Disposals/adjustments	-	-
<b>Balance as at 31 March 2023</b>	<b>431.12</b>	<b>431.12</b>
Charge for the year	501.40	501.40
Disposals/adjustments	-	-
<b>Balance as at 31 March 2024</b>	<b>932.52</b>	<b>932.52</b>
<b>Net carrying amount</b>		
Balance as at 31 March 2024	2,472.35	2,472.35
Balance as at 31 March 2023	2,932.04	2,932.04

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	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	Non-current	Non-current	Current	Current
<b>5. Other financial assets</b>				
<b>Security deposits</b>				
- Premises	120.91	124.63	109.20	-
- Others	3.00	1.50	-	-
<b>Deposits</b>				
Margin money deposits*	-	-	5,949.37	5,713.90
Bank deposits with remaining maturity of more than 12 months**	3,512.09	-	-	-
<b>Other recoverable</b>	-	-	1,820.17	667.69
	<b>3,636.00</b>	<b>126.13</b>	<b>7,878.74</b>	<b>6,381.59</b>

\*Margin Money deposits are encumbered against the borrowing facilities. (also refer note 18)

\*\*Deposits aggregating Rs 3,512.09 lakhs (31 March 2023: Rs Nil) are under lien as margin money against loans availed from financial institutions aggregating to Rs. 17,500.00 lakhs (31 March 2023: Rs. Nil) with outstanding balance of Rs. 5,000.00 lakhs (31 March 2023: Rs. Nil) as at balance sheet date.

	As at 31 March 2024	As at 31 March 2023
<b>6. Deferred tax assets (net)</b>		
<b>Tax effect of items constituting deferred tax assets</b>		
Employee benefit obligations	77.86	37.54
Financial assets/liabilities carried at fair value	72.02	20.62
Lease liability	635.59	759.53
Expenditure allowable on payment basis	34.64	-
Others	77.95	46.14
	<b>898.06</b>	<b>863.83</b>
<b>Tax effect of items constituting deferred tax liabilities</b>		
Property, plant and equipment including right of use assets	(624.74)	(724.39)
	<b>(624.74)</b>	<b>(724.39)</b>
<b>Deferred tax assets (net)</b>	<b>273.32</b>	<b>139.44</b>

Deferred tax (liabilities)/assets (net)	As at 01 April 2023	Recognised in current year profit and loss	Recognised in OCI	As at 31 March 2024
<b>Tax effect of items constituting deferred tax liabilities</b>				
Property, plant and equipment including right of use assets	(724.39)	99.65	-	(624.74)
	<b>(724.39)</b>	<b>99.65</b>	<b>-</b>	<b>(624.74)</b>
<b>Tax effect of items constituting deferred tax assets</b>				
Employee benefit obligations	37.54	42.96	(2.64)	77.86
Financial assets carried at fair value	20.62	51.40	-	72.02
Lease liability	759.53	(123.94)	-	635.59
Expenditure allowable on payment basis	-	34.64	-	34.64
Others	46.14	31.81	-	77.95
	<b>863.83</b>	<b>36.87</b>	<b>(2.64)</b>	<b>898.06</b>
<b>Deferred tax assets (net)</b>	<b>139.44</b>	<b>136.52</b>	<b>(2.64)</b>	<b>273.32</b>

Deferred tax (liabilities)/assets (net)	As at 01 April 2022	Recognised in profit and loss Related to opening balance	Recognised in Current year balance	Recognised in OCI	As at 31 March 2023
<b>Tax effect of items constituting deferred tax liabilities</b>					
Property, plant and equipment including right of use assets	(817.99)	(817.99)	93.60	-	(724.39)
	<b>(817.99)</b>	<b>(817.99)</b>	<b>93.60</b>	<b>-</b>	<b>(724.39)</b>
<b>Tax effect of items constituting deferred tax assets</b>					
Employee benefit obligations	1.45	1.45	35.94	0.15	37.54
Investments	-	-	-	-	-
Financial assets carried at fair value	23.32	23.32	(2.70)	-	20.62
Lease liability	814.22	814.22	(54.69)	-	759.53
Business losses	104.17	104.17	(104.17)	-	-
Others	-	-	46.14	-	46.14
	<b>943.16</b>	<b>943.16</b>	<b>(79.48)</b>	<b>0.15</b>	<b>863.83</b>
Deferred tax asset not recognised (refer note (i))	<b>(125.17)</b>	-	-	-	-
<b>Deferred tax assets (net)</b>	<b>-</b>	<b>139.29</b>	<b>0.15</b>	<b>0.15</b>	<b>139.44</b>

(i) As at 31 March 2023, the Company had restricted the recognition of deferred tax asset to the extent of the corresponding deferred tax liability in the absence of reasonable certainty regarding future taxable profits against which deductible temporary difference and tax losses could be utilised.



**7. Inventories (Valued at lower of cost and net realisable value, unless otherwise stated)**

Traded goods

As at 31 March 2024	As at 31 March 2023
90,371.45	1,01,517.32
<b>90,371.45</b>	<b>1,01,517.32</b>

(i) Inventories are hypothecated with the Financial Institutions and Banks against borrowing facilities. (also refer note 18)

(ii) Value of inventories stated above is after provisions of Rs 20,976.54 lakhs (31 March 2023: Rs 8,778.83 lakhs) towards write-downs to net realisable value and provisions for slow-moving and non-moving items.

**8. Current investments****Unquoted, non trade (at FVTPL)**

Investments in mutual funds

As at 31 March 2024	As at 31 March 2023
-	-
-	-
-	-
-	-
-	-

Aggregate amount of quoted investments and market value thereof

Aggregate amount of unquoted investments

Aggregate amount of impairment in the value of investments

There are no outstanding investments as at 31 March 2024 and 31 March 2023, however, the Company has earned profit on purchase/sale transaction during the year.(refer note 23)

**9. Trade receivables (Unsecured unless otherwise stated, at amortised cost)**

Related to sale of goods/service

(i) Considered good - secured

(ii) Considered good - unsecured

(iii) Receivables having significant increase in credit risk

(iv) Credit impaired

As at 31 March 2024	As at 31 March 2023
-	-
3,981.79	4,248.05
-	-
-	-
<b>3,981.79</b>	<b>4,248.05</b>

(i) Trade receivables are hypothecated with the Financial Institutions and Banks against borrowing facilities. (also refer note 18)

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due and the amount is billable.

**Trade receivables ageing schedule :-****As at March 31, 2024**

As at March 31, 2024								
Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	649.60	-	3,332.19	-	-	-	-	3,981.79
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Total gross	649.60	-	3,332.19	-	-	-	-	3,981.79
Less : Allowance for credit loss	-	-	-	-	-	-	-	-
Net receivables	649.60	-	3,332.19	-	-	-	-	3,981.79

**As at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment							Total
	Unbilled	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables - considered good	552.99	-	3,695.06	-	-	-	-	4,248.05
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Total gross</b>	552.99	-	3,695.06	-	-	-	-	4,248.05
<b>Less : Allowance for credit loss</b>	-	-	-	-	-	-	-	-
<b>Net receivables</b>	552.99	-	3,695.06	-	-	-	-	4,248.05





**10. Cash and cash equivalents**

Cash on hand  
Balances with banks  
Current / Cash credit accounts

As at 31 March 2024	As at 31 March 2023
-	9.00
6,325.88	2,791.99
<b>6,325.88</b>	<b>2,800.99</b>

**11. Bank balances other than cash and cash equivalents**

Deposits with original maturity of more than 3 months but less than 12 months

As at 31 March 2024	As at 31 March 2023
9,506.01	9,720.97
<b>9,506.01</b>	<b>9,720.97</b>

- (i) Deposits aggregating Rs 1,625.73 lakhs (31 March 2023: Rs 4,041.30 lakhs) are under lien as margin against bank guarantees issued to vendors of Rs. 1,500.00 lakhs (31 March 2023: Rs. 4,000.00 lakhs).
- (ii) Deposits aggregating Rs 6,107.06 lakhs (31 March 2023: Rs 4,250.00 lakhs) are under lien as margin money against loans availed from financial institutions aggregating to Rs. 26,500.00 lakhs (31 March 2023: Rs. 15,000.00 lakhs) with outstanding balance of Rs. 9,178.54 lakhs (31 March 2023: Rs. 13,400.00 lakhs) as at balance sheet date.
- (iii) Deposits aggregating Rs 1,000.00 lakhs (31 March 2023: Rs Nil) have been created for debenture redemption reserve in accordance with the provisions of Companies Act, 2013.
- (iv) Deposits aggregating Rs. 16.26 lakhs (31 March 2023: Rs 15.31 lakhs) are under lien as margin against Corporate Credit Card facility.

**12. Non Current tax assets (net)**

Advance income tax (net of provision)

As at 31 March 2024	As at 31 March 2023
3,696.92	3,823.48
<b>3,696.92</b>	<b>3,823.48</b>

**13. Other current assets (unsecured, considered good)**

Prepaid expenses  
Right to return assets  
Advance to vendors  
Other receivable  
Balances with statutory authorities  
GST recoverable

As at 31 March 2024	As at 31 March 2023
517.41	237.26
1,546.39	1,496.41
3,293.42	-
5.21	-
17,538.51	12,444.07
<b>22,900.94</b>	<b>14,177.74</b>

Other current assets are hypothecated with the Financial Institutions and Banks against borrowing facilities. (also refer note 18)



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**14. Equity share capital****Authorised capital**

35,050,000 (31 March 2023: 35,050,000) equity Shares of Rs.10 each

	As at 31 March 2024	As at 31 March 2023
	3,505.00	3,505.00
	<b>3,505.00</b>	<b>3,505.00</b>

**Issued, subscribed and fully paid up capital**

35,010,000 (31 March 2023: 35,010,000) equity Shares of Rs.10 each fully paid up

	3,501.00	3,501.00
	<b>3,501.00</b>	<b>3,501.00</b>

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

Equity shares at the beginning of the year

Add : Issued during the year

Equity shares at the end of the year

As at 31 March 2024		As at 31 March 2023	
No of shares	Amount	No of shares	Amount
3,50,10,000	3,501.00	1,60,10,000	1,601.00
-	-	1,90,00,000	1,900.00
<b>3,50,10,000</b>	<b>3,501.00</b>	<b>3,50,10,000</b>	<b>3,501.00</b>

**b) Rights/ restrictions attached to equity shares**

The Company has only one class of equity shares with voting rights, having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share held. Each share is entitled to dividend, if declared, in Indian Rupees. The dividend, if any, proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**c) Details of shareholders holding more than 5% shares in the Company****Equity shares of Rs. 10 each fully paid up**

RattanIndia Enterprises Limited and its nominees

No of shares	% Holding	No of shares	% Holding
3,50,10,000	100%	3,50,10,000	100%

The above information has been furnished as per the shareholders' register as at the year end.

**d) Detail of share held by promoters**

Promoter name	As at 31 March 2024			As at 31 March 2023		
	No of shares	% of total shares	% Change during the year	No of shares	% of total shares	% Change during the year
<b>Equity shares of Rs. 10 each fully paid up</b>						
RattanIndia Enterprises Limited and its nominees	3,50,10,000	100%	0%	3,50,10,000	100%	0%

e) No bonus shares were issued and no shares were issued for consideration other than cash (other than those mentioned in Note 18) and no shares were bought back since the inception of the Company.

**15. Other equity**

Retained earnings

Debenture redemption reserve (refer note 48)

Securities premium reserve

	As at 31 March 2024	As at 31 March 2023
	8,225.73	4,205.72
	632.52	-
	31,500.00	31,500.00
	<b>40,358.25</b>	<b>35,705.72</b>

**Nature and purpose of other reserves****Retained earnings**

Retained earnings represent the amount that can be distributed as dividend considering the requirements of the Companies Act, 2013. During the year, no dividends are distributed to the equity shareholders by the Company.

**Securities premium reserve**

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**Debenture redemption reserve**

The Debenture redemption reserve is created as per the requirements of Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014.





**16. Lease liabilities**

Lease liabilities (refer note 40)

As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Non-current	Non-current	Current	Current
2,337.70	2,783.49	187.73	234.38
<b>2,337.70</b>	<b>2,783.49</b>	<b>187.73</b>	<b>234.38</b>

**17. Provisions****Provision for employee benefits**

Provision for compensated absences  
Provision for gratuity (refer note 30)

As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Non-current	Non-current	Current	Current
135.57	67.94	11.62	4.98
161.48	76.09	0.70	0.13
<b>297.05</b>	<b>144.03</b>	<b>12.32</b>	<b>5.11</b>

**18. Borrowings****Secured**

Working capital loan from bank [refer note (i) and (ii) below]  
Invoice financing facility [refer note (iii) below]  
Cash credit facility from bank [refer note (ii) below]  
Non Convertible Debentures [refer note (iv) below]

**Unsecured**

Loans from related parties  
Inter corporate deposits [refer note (v) below]

As at 31 March 2024	As at 31 March 2023
10,771.83	8,400.00
10,716.29	15,814.16
15.79	-
6,348.20	-
19,000.00	19,000.00
<b>46,852.11</b>	<b>43,214.16</b>

**A. Security and other terms**

(i) Rs. 5,771.83 lakhs (March 31, 2023 : Rs. 8,400.00 Lakhs) Working Capital loan from RBL Bank is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company and over entire moveable fixed assets of the Company, both present and future, and carries interest @ 3 Month MCLR plus 1.20% i.e. 10.90% p.a. (31 March 2023 - @ 3 Month MCLR plus 1.20% i.e. 10.60% p.a.) as at period end. It is payable on demand.

(ii) Rs. 5,015.79 lakhs (March 31, 2023 : Rs. Nil) Working Capital loan including cash credit facility from IndusInd Bank is secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company and over entire moveable fixed assets of the Company, both present and future, and carries interest @ linked to 3 months T-bill i.e. 9.60% p.a. as at period end. It is payable on demand.

(iii) Rs. 10,716.29 lakhs (March 31, 2023 : Rs. 15,814.16 lakhs) Invoice financing facility is secured from multiple lenders, secured by first Pari Passu charge by way of hypothecation over entire current assets of the Company and carries interest rate ranging between 9.55% to 14.50% (31 March 2023 - 12% to 15.75% p.a.) as at period end. Loan is payable in maximum period of 120 days.

(iv) Non Convertible Debentures (secured)

Particulars	Nature of Security	Terms of Repayment	Amount outstanding as at 31 March 2024	Amount outstanding as at 31 March 2023	Maturity Due Date	First Instalment payment date
2,000 (31 March 2023 - Nil) (payable monthly) 13.25% Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of face value of Rs. 1,00,000	1.5x Pari-passu charge and hypothecation over current assets including inventory and receivables of the Company.	Both Principal and Interest payable monthly starting Sep-23 (post two months moratorium)	897.98	-	23-Aug-24	26-Oct-23
500 (31 March 2023 - Nil) (payable monthly) 13.25% Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of face value of Rs. 1,00,000	1.5x Pari-passu charge and hypothecation over current assets including inventory and receivables of the Company.	Bullet Repayment: Both Principal and Interest to be paid at maturity.	539.10	-	23-Aug-24	23-Aug-24



Particulars	Nature of Security	Terms of Repayment	Amount outstanding as at 31 March 2024	Amount outstanding as at 31 March 2023	Maturity Due Date	First Instalment payment date
300 (31 March 2023 - Nil) (payable monthly) 13.75 % Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of face value of Rs. 5,00,000	First ranking pari pasu charge on all existing and future fixed and current assets of the Company including inventory, and trade receivables.	Both Principal and Interest payable monthly	801.81	-	31-Oct-24	31-Oct-23
2,000 (31 March 2023 - Nil) (payable monthly) 13.25% Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of a face value of Rs. 1,00,000	1.5x Pari-passu charge and hypothecation over current assets including inventory and receivables of the Company.	Both Principal and Interest payable monthly (post two months moratorium)	1,447.47	-	17-Nov-24	17-Jan-24
500 (31 March 2023 - Nil) (payable monthly) 13.25% Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of a face value of Rs. 1,00,000	1.5x Pari-passu charge and hypothecation over current assets including inventory and receivables of the Company.	Bullet Repayment: Both Principal and Interest to be paid at maturity.	522.16	-	17-Nov-24	17-Nov-24
35 (31 March 2023 - Nil) (payable monthly) 14 % Secured. Unlisted, Unrated, Redeemable Non Convertible Debentures (NCD's) each of a face value of Rs. 1,00,00,000	First ranking pari pasu charge on all existing and future fixed and current assets of the Company.	Both Principal and Interest payable monthly	2,139.68	-	26-Nov-24	30-Nov-23

(v) (a) Inter corporate deposits amounting to Rs. 19,000 lakhs (31 March 2023 : Rs. 19,000 lakhs) are outstanding from related party at an interest rate of 13% p.a. repayable on demand.

(b) During the current year, ICD amounting to Rs. Nil (31 March 2023: Rs. 19,000 lakhs) were received from the Holding Company at an interest rate of 13% p.a. During the previous year, ICD amounting to Rs. 19,000 lakhs were converted into 190 lakh shares of Rs. 10 each at a premium of Rs. 90 per share respectively.

B. The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with respective banks and/or financial institutions and such returns/statements are in agreement with the books of account of the Company for the respective periods, except for the following:

Quarter	Name of the Bank	Particular	Amount as per Books of Account	Amount Reported in the quarterly Return / Statement	Variance	Reason for material discrepancies
Quarter ended 31 March 2024*	RBL Bank Limited, IndusInd Bank Limited, Capsave Finance Private Ltd, Livfin India Private Limited, Equentia Financial Services Private Limited, Blacksoil Capital Private Limited, Minions Ventures Private Limited, Tata Capital Limited, Fincare Small Finance Bank Limited, Mahindra and Mahindra Financial Services Limited, Incred Financial Services Ltd, Kisetsu Saison Finance India Private Limited, Ratnaafin Capital Private Limited	Inventory	1,04,479.22	1,04,514.00	(34.78)	The Company submitted the returns based on provisional books of accounts within the due dates while finalization of books of accounts happened subsequently.
		Trade Receivables	5,676.65	5,744.00	(67.35)	

\*For quarter ended 31 March 2024, the Company is in process of submitting revised statement with bank post balance sheet date.

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**19. Trade payables**

Total outstanding dues of micro enterprises and small enterprises (refer note 43)

Total outstanding dues of creditors other than micro enterprises and small enterprises

As at 31 March 2024	As at 31 March 2023
20,430.36	9,388.56
33,391.23	48,036.93
<b>53,821.59</b>	<b>57,425.49</b>

**Trade payables ageing schedule as on 31 March 2024:-**

Particulars	Outstanding for following periods from due date of payment*					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Due to MSME	18,596.45	137.64	-	-	-	18,734.09
(ii) Due to others	27,207.88	5,052.68	1,130.67	-	-	33,391.23
(iii) Disputed dues to MSME	-	1,021.12	675.15	-	-	1,696.27
(iv) Disputed dues to others	-	-	-	-	-	-
<b>Total</b>	<b>45,804.33</b>	<b>6,211.44</b>	<b>1,805.82</b>	<b>-</b>	<b>-</b>	<b>53,821.59</b>

**Trade payables ageing schedule as on 31 March 2023:-**

Particulars	Outstanding for following periods from due date of payment*					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Due to MSME	8,280.71	1,107.85	-	-	-	9,388.56
(ii) Due to others	29,181.27	18,855.66	-	-	-	48,036.93
(iii) Disputed dues to MSME	-	-	-	-	-	-
(iv) Disputed dues to others	-	-	-	-	-	-
<b>Total</b>	<b>37,461.98</b>	<b>19,963.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57,425.49</b>

\* where due dates are not provided, date of transaction has been considered.

**20. Other financial liabilities**

Capital creditors

Other liability- customer refund\*

Due to employees

As at 31 March 2024	As at 31 March 2023
-	0.70
2,222.82	1,822.52
996.33	537.51
<b>3,219.15</b>	<b>2,360.73</b>

\*A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

**21. Other current liabilities**

Statutory dues

Advance from customers

As at 31 March 2024	As at 31 March 2023
476.16	567.17
150.52	77.30
<b>626.68</b>	<b>644.47</b>

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	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>22. Revenue from operations</b>		
<b>Operating Revenue</b>		
<b>Sale of products</b>		
Revenue from sale of goods	5,37,883.10	3,98,168.69
Liquidation sale	2,425.37	1,974.58
	<b>5,40,308.47</b>	<b>4,00,143.27</b>
<b>Other operating revenue</b>		
Sales promotion/incentive income	8,213.61	6,119.04
Others	439.00	305.35
	<b>8,652.61</b>	<b>6,424.39</b>
	<b>5,48,961.08</b>	<b>4,06,567.66</b>
<b>Details of Operating revenue by Geographical locations</b>		
In India	5,48,961.08	4,06,567.66
Outside India	-	-
<b>Total</b>	<b>5,48,961.08</b>	<b>4,06,567.66</b>

**Revenue from contract with customers**

"Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- Identify the contract(s) with customer;
- Identify separate performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations; and
- Recognise revenue when a performance obligation is satisfied.

**Assets and Liabilities related to contracts with customers**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
<b>Contract liabilities related to sale of goods</b>				
Advance from customers	-	150.52	-	77.30
<b>Contract receivables related to sale of goods</b>				
Trade receivables	-	3,981.79	-	4,248.05

**Right to return assets and refund liabilities**

Particulars	As at 31 March 2024		As at 31 March 2023	
	Non-current	Current	Non-current	Current
<b>Right to return asset</b>	-	1,546.39	-	1,496.41
<b>Refund liabilities arising from rights of return</b>	-	2,222.82	-	1,822.52

**Significant changes to contract assets and contract liabilities**

There has been no significant changes in contract assets/contract liabilities during the year.

**Revenue recognised in relation to contract liabilities**

Ind AS 115 also requires disclosures of major changes on account of revenue recognised in the reporting period from the contract liability balance at the beginning of the period and other changes.

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	77.30	-
Addition during the year	2,478.39	1,753.59
Revenue recognised during the year	2,405.17	1,676.29
<b>Closing balance</b>	<b>150.52</b>	<b>77.30</b>





Reconciliation of revenue with contract price	As at 31 March 2024	As at 31 March 2023
Contract price	7,08,537.88	5,24,999.72
Less: Rebate and Discount	(4,066.30)	(4,526.44)
Less: Sales return	(1,55,510.50)	(1,13,905.62)
<b>Revenue from contract with customers</b>	<b>5,48,961.08</b>	<b>4,06,567.66</b>

Timing of Revenue Recognition	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue recognised at point in time	5,40,747.47	4,00,448.62
Revenue recognised over time	8,213.61	6,119.04
<b>Revenue from contract with customers</b>	<b>5,48,961.08</b>	<b>4,06,567.66</b>

**Disaggregation of revenue**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>(A) Sale of goods</b>		
Sale of goods through ecommerce marketplace platform	5,37,883.10	3,98,168.69
Liquidation sale	2,425.37	1,974.58
<b>(B) Other operating revenue</b>		
Sales incentive	8,213.61	6,119.04
Others	439.00	305.35
	<b>5,48,961.08</b>	<b>4,06,567.66</b>

The following table provides information about receivables:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Receivables</b>		
Trade receivables (gross)	3,332.19	3,695.06
Unbilled revenue for passage of time	649.60	552.99
Less : Allowances for doubtful debts	-	-
<b>Net receivables</b>	<b>3,981.79</b>	<b>4,248.05</b>

The Company's contracts with customers for the sale of goods generally include one performance obligation. The Company has concluded that revenue from sale of goods should be recognised at the point in time when goods are dispatched to the customer as per agreed terms.

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the Company's obligation to transfer goods or services to a customer for which the Company has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

**23. Other income****Interest on**

- Bank deposits (at amortised cost)
- Security deposits

**Other income**

- Profit on sale of investments measured at FVTPL
- Gain on Lease modification
- Interest on Income-tax refund
- Miscellaneous income

For the year ended 31 March 2024	For the year ended 31 March 2023
821.42	295.58
20.11	7.78
255.34	964.23
193.36	-
194.18	-
147.21	81.99
<b>1,631.62</b>	<b>1,349.58</b>

**24. Purchase of stock-in-trade**

For the year ended 31 March 2024	For the year ended 31 March 2023
4,47,269.85	4,36,640.96
<b>4,47,269.85</b>	<b>4,36,640.96</b>

**25. Changes in inventories of stock-in-trade**

- Opening inventory of stock-in-trade
- Closing inventory of stock-in-trade

For the year ended 31 March 2024	For the year ended 31 March 2023
1,01,517.32	3,836.80
90,371.45	1,01,517.32
<b>11,145.87</b>	<b>(97,680.52)</b>



**26. Employee benefits expense**

Salaries, wages & bonus
Contribution to provident and other funds
Gratuity and compensated absences
Staff welfare expenses

For the year ended 31 March 2024	For the year ended 31 March 2023
7,288.47	5,512.30
156.60	90.30
194.41	150.17
284.65	83.82
<b>7,924.13</b>	<b>5,836.59</b>

**27. Finance costs****Interest on**

Inter-corporate deposits
Working capital loan from bank
Invoice financing facility
Non-convertible debentures
Lease liabilities

**Other finance cost**

Interest on MSME dues
Corporate guarantee charges
Ancillary borrowing cost
Bank guarantee charges
Other finance cost

For the year ended 31 March 2024	For the year ended 31 March 2023
2,529.18	1,069.47
723.21	229.89
2,687.64	904.16
700.73	-
283.85	195.81
45.60	101.76
373.61	105.47
518.85	177.56
29.29	38.33
12.07	8.87
<b>7,904.03</b>	<b>2,831.32</b>

**28. Depreciation and amortisation expense****Depreciation on**

Property, plant and equipment
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**Amortisation on**

Right of use
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For the year ended 31 March 2024	For the year ended 31 March 2023
72.88	42.45
501.40	371.14
<b>574.28</b>	<b>413.59</b>

**29. Other expenses**

Rent (refer note 40)
Rates and taxes
Legal and professional charges*
Platform selling fees (net)
Communication
Operation & maintenance
Printing and stationery
Travelling and conveyance
Repairs and maintenance:
Office
Others
Insurance expense
Security Expenses
Technical support expense
Business promotion
Recruitment and training
Expenditure towards corporate social responsibility (CSR) activities (refer note 44)
Miscellaneous expenses

For the year ended 31 March 2024	For the year ended 31 March 2023
54.06	33.95
25.21	32.90
2,403.54	1,790.96
63,407.96	48,131.50
22.25	19.69
34.67	25.17
6.47	2.30
244.89	121.44
90.41	57.89
-	0.19
96.62	21.14
18.16	17.66
814.18	709.56
2,010.29	2,726.64
23.15	99.84
50.00	-
93.20	30.38
<b>69,395.06</b>	<b>53,821.21</b>

\*includes remuneration to auditors as follows (excluding applicable taxes)

As auditors - Statutory audit/reviews

50.00	40.00
<b>50.00</b>	<b>40.00</b>





**30 Employee benefits****Defined contribution:**

Contributions are made to the Government Provident Fund and Family Pension Fund which cover all regular employees eligible under applicable Acts. Both the eligible employees and the Company make pre-determined contributions to the provident fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized in the statement of profit and loss an amount of Rs. 156.60 lakhs (March 31, 2023 - Rs. 90.30 lakhs) towards employer's contribution towards provident fund.

**Defined benefits:**

Gratuity scheme - This is an unfunded defined benefit plan and it entitles an employee, who has rendered at least 5 years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit/ death.

- i) On normal retirement / early retirement / withdrawal / resignation: As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.  
 ii) On death in service: As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period. Gratuity payable to employee in case (i) and (ii), as mentioned above, is computed as per the Payment of Gratuity Act, 1972 except the Company does not have any limit on gratuity amount.

**Other benefits:**

Provision for unfunded compensated absences payable to eligible employees on retirement/ separation is based upon an actuarial valuation as at the year ended 31 March 2024. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The commitments are actuarially determined using the 'Projected Unit Credit Method' as at the year end. Gains/ losses on changes in actuarial assumptions are accounted for in the statement of profit and loss, as applicable and as identified by the management of the company.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of gratuity and compensated absences and the amounts recognised in the financial statements for the year ended 31 March 2024:

Particulars	Gratuity (unfunded)	
	31 March 2024	31 March 2023
<b>Liability recognised in the balance sheet</b>		
Present value of obligation as at the beginning of the year	76.22	3.71
Current service cost	90.83	71.64
Past service cost including curtailment (gains)/ losses	-	-
Interest cost	5.60	0.27
Benefits paid	-	-
Actuarial gains and Remeasurement	(10.47)	0.60
<b>Present value of obligation at the end of the year (as per actuarial valuation)</b>	<b>162.18</b>	<b>76.22</b>
<b>Expenses during the year</b>		
Current service cost	90.83	71.64
Past service cost including curtailment (gains)/ losses	-	-
Interest cost	5.60	0.27
Actuarial gains	-	-
<b>Component of defined benefit cost charged to statement of profit and loss</b>	<b>96.43</b>	<b>71.91</b>
<b>Remeasurement of post-employment benefit obligations:</b>		
Actuarial gains	(10.47)	0.60
<b>Component of defined benefit cost recognised in other comprehensive income/ (loss)</b>	<b>(10.47)</b>	<b>0.60</b>

**Actuarial (gains)/ losses on obligation**

Particulars	Gratuity (unfunded)	
	31 March 2024	31 March 2023
Actuarial (gain)/ loss arising from change in demographic assumption	(64.47)	-
Actuarial (gain)/ loss arising from change in financial assumption	61.13	8.42
Actuarial (gain)/ loss arising from change in experience adjustment	(7.13)	(7.82)

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The actuarial valuation in respect of commitments and expenses relating to unfunded gratuity and compensated absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

**a) Economic assumptions**

Particulars	31 March 2024	31 March 2023
Discount rate	7.25%	7.36%
Expected rate of salary increase	10.00%	8.50%

**b) Demographic assumptions**

Particulars	31 March 2024	31 March 2023
Retirement Age	60 Years	60 Years
Mortality table	IALM (2012 - 14)	IALM (2012 - 14)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)
- Upto 30 Years	17	3
- From 31 to 44 Years	12	2
- Above 44 Years	8	1

The employer's best estimate of contributions expected to be paid during the annual period beginning after the balance sheet date, towards gratuity is Rs. 116.73 lakhs (31 March 2023: Rs. 118.13 lakhs).

**c) Sensitivity analysis of defined benefit obligation**

Particulars	31 March 2024	31 March 2023
<b>a) Impact of the change in discount rate</b>		
i) Impact due to increase of 0.50% (31 March 2023: 0.50%)	(8.70)	(6.98)
ii) Impact due to decrease of 0.50% (31 March 2023: 0.50%)	9.42	7.82
<b>b) Impact of the change in salary increase</b>		
i) Impact due to increase of 0.50% (31 March 2023: 0.50%)	7.97	7.70
ii) Impact due to decrease of 0.50% (31 March 2023: 0.50%)	(7.79)	(6.94)

Sensitivities due to mortality & withdrawals are not material & hence impact of change is not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

**d) Maturity profile of defined benefit obligation**

Particulars	31 March 2024	31 March 2023
Less than 1 year	0.70	0.13
Year 1 to 5	30.75	1.96
More than 5 years	130.73	74.13

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**31 Financial instruments****(i) Fair values hierarchy**

Financial assets and financial liabilities are measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

**Level 1:** Quoted prices (unadjusted) in active markets for financial instruments.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

**(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements**

The carrying amount of financial assets and financial liabilities are measured at amortised cost in the financial statements are a reasonable approximation of their fair values.

**Valuation technique used to determine fair value**

Particulars	Level	31 March 2024	31 March 2023
<b>Financial assets</b>			
Investments at FVTPL	Level 2	-	-
Investments in Mutual funds		-	-
<b>Total financial assets</b>		-	-

**(iii) Fair value of financial assets and liabilities measured at amortised cost**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values (Refer note 32(i)).

**(iv) Valuation process and technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

(a) Mutual funds: Use of NAV's obtained from the asset manager.

**32 Financial risk management****(i) Financial instruments by category**

Particulars	As at 31 March 2024			As at 31 March 2023		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments in						
Mutual funds	-	-	-	-	-	-
Trade receivables	-	-	3,981.79	-	-	4,248.05
Cash and cash equivalents	-	-	6,325.88	-	-	2,800.99
Other bank balances	-	-	9,506.01	-	-	9,720.97
Other financial assets	-	-	11,514.74	-	-	6,507.72
<b>Total</b>	-	-	<b>31,328.42</b>	-	-	<b>23,277.73</b>
<b>Financial liabilities</b>						
Borrowings	-	-	46,852.11	-	-	43,214.16
Lease liabilities	-	-	2,525.43	-	-	3,017.87
Trade payables	-	-	53,821.59	-	-	57,425.49
Other financial liabilities	-	-	3,219.15	-	-	2,360.73
<b>Total</b>	-	-	<b>1,06,418.28</b>	-	-	<b>1,06,018.25</b>

**(ii) Risk management**

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in note 32(i). The main types of risks are market risk, credit risk and liquidity risk. The most significant financial risks to which the Company is exposed are described below.

The Company's risk management is carried out by a central finance department (of the Company) under direction of the Board of Directors. The Board of Directors provides principles for overall risk management, and covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

**A) Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Credit risk arises from cash and cash equivalents, trade receivables, investments carried at amortised cost and deposits with banks and financial institutions. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2024 and 31 March 2023, as summarised below:

Particulars	31 March 2024	31 March 2023
Investments in mutual funds	-	-
Trade receivables (i)	3,981.79	4,248.05
Cash and cash equivalents (ii)	6,325.88	2,800.99
Other bank balances (ii)	9,506.01	9,720.97
Other financial assets (iii)	11,514.74	6,507.72

The Company's management has assessed that all the above financial assets are not impaired as all are of good credit quality.



(i) The Company has no such assets where credit losses have been recognised as none of the assets are credit impaired. The Company's major trade receivables are from ecommerce marketplace which are governed as per the agreement with counterparty. Therefore, these trade receivables are considered high quality and accordingly, no life time expected credit losses have been recognised on such receivables based on simplified approach.

(ii) The credit risk for cash and cash equivalents and other bank balances is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

(iii) The credit risk for other financial asset is considered negligible, since the counterparties are reputable financial institution with high quality external credit ratings and related party.

## B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

## Maturities of financial liabilities

The tables below analyse the Company's financial assets and liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial assets and liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Particulars	As at 31 March 2024			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings	46,913.27	-	-	46,913.27
Lease liabilities	498.86	2,259.23	1,075.06	3,833.15
Trade payables	53,821.59	-	-	53,821.59
Other financial liabilities	3,219.15	-	-	3,219.15
<b>Total</b>	<b>1,04,452.87</b>	<b>2,259.23</b>	<b>1,075.06</b>	<b>1,07,787.16</b>

Particulars	As at 31 March 2023			
	Less than 1 year	1-5 years	More than 5 years	Total
<b>Non-derivatives</b>				
Borrowings	43,214.16	-	-	43,214.16
Lease liabilities	416.54	1,885.12	1,574.23	3,875.89
Trade payables	57,962.32	-	-	57,962.32
Other financial liabilities	1,823.91	-	-	1,823.91
<b>Total</b>	<b>1,03,416.93</b>	<b>1,885.12</b>	<b>1,574.23</b>	<b>1,06,876.28</b>

## C) Market risk

### a) Foreign currency risk

The Company is not exposed to foreign exchange risk arising from foreign currency transactions. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency.

### Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting years is Nil.

### Sensitivity

The sensitivity of profit or loss and equity to changes in the exchange rates arises mainly from foreign currency denominated financial instruments and the sensitivity risk at the end of the reporting years is Nil.

### b) Interest rate risk

#### Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

### Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2024	31 March 2023
<b>Variable rate:</b>		
Borrowing	10,787.62	8,400.00
<b>Total variable rate exposure</b>	<b>10,787.62</b>	<b>8,400.00</b>
<b>Fixed rate:</b>		
Borrowing	36,064.49	34,814.16
<b>Total fixed rate exposure</b>	<b>36,064.49</b>	<b>34,814.16</b>





**Sensitivity**

Below is the sensitivity of profit or loss and equity due to changes in interest rates, assuming no change in other variables:

Particulars	31 March 2024	31 March 2023
Interest rates – increase by 100 basis points (31 March 2023: 100 basis points)	(107.88)	(84.00)
Interest rates – decrease by 100 basis points (31 March 2023: 100 basis points)	107.88	84.00

**b) Price risk****Exposure**

The Company is exposed to price risk in respect of its investment in mutual funds (refer note 8). The mutual funds are unquoted investments.

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in fair value of investments, assuming no change in other variables:

Particulars	31 March 2024	31 March 2023
<b>Price sensitivity</b>		
Price increase by 1000 basis points (31 March 2023: 1000 basis points)	-	-
Price decrease by 1000 basis points (31 March 2023: 1000 basis points)	-	-

**33 Capital management**

The Company's capital management objectives are

- (i) To ensure the Company's ability to continue as a going concern
- (ii) To provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The amounts managed as capital by the Company for the reporting periods under review are summarised as follows:

Particulars	31 March 2024	31 March 2023
Short-term borrowings	46,852.11	43,214.16
<b>Total borrowings</b>	<b>46,852.11</b>	<b>43,214.16</b>
Less:		
Cash and cash equivalents	6,325.88	2,800.99
Other bank balances (including deposits with remaining maturity of more than 12 months)	13,018.10	9,720.97
<b>Net debts</b>	<b>27,508.13</b>	<b>30,692.20</b>
<b>Total equity (i)</b>	<b>43,859.25</b>	<b>39,206.72</b>
<b>Net debt to equity ratio</b>	<b>62.72%</b>	<b>78.28%</b>

(i) Equity includes capital and all reserves of the Company that are managed as capital.

34 As per Ind AS "Related Party Disclosure", the related parties where control exists or where significant influence exists and with whom transactions have taken place are as below:

**Nature of relationship****Related parties****I. Holding Company**

RattanIndia Enterprises Limited

**II. Fellow subsidiaries**

(with whom transactions have been entered during the year/previous year)

Neobrand Limited  
NeoSky India Limited**III. Enterprise over which key management personnel have significant influence**

(with whom transactions have been entered during the year/previous year)

Tupelo Properties Private Limited  
Laurel Energetics Private Limited**IV. Key Management Personnel:**

Name	Designation
Surinder Kumar Aery	Director
Amit Jain (DIN : 6802414)	Director
Sudeep Kumar	Director (upto 20 April 2022)
Rahul Gochhwal	Director
Amit Jain (DIN : 5340237)	Director (upto 19 May 2022)
Soumik Bhusan	Director (w.e.f. 30 June 2022) Chief Financial Officer (w.e.f. 3 March 2022)
Jeevagan Narayana Swami Nadar	Additional Director (w.e.f. 30 September 2022)
Namita Hooda	Additional Director (w.e.f. 08 August 2023)
Chandramouli Venkataraman	Chief Executive Officer
Riddhi Doshi	Company Secretary (w.e.f. 30 May 2022 upto 07 April 2023)
Mayanka Srivastava	Company Secretary (w.e.f. 07 April 2023)



## V. Disclosure of transactions entered into with the related parties:

## A. Transactions:

Particulars	Holding Company		Fellow subsidiaries		Enterprise over which key management personnel have significant influence		Key Managerial Personnel	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>RattanIndia Enterprises Limited</b>								
Inter corporate deposit received	-	19,000.00	-	-	-	-	-	-
Inter corporate deposits-converted into equity shares (out of above balance)	-	19,000.00	-	-	-	-	-	-
Inter corporate deposit repaid	-	41.00	-	-	-	-	-	-
Service expense	148.60	116.70	-	-	-	-	-	-
Corporate guarantee charges (refer footnote v)	532.96	105.47	-	-	-	-	-	-
Reimbursement of expenses	-	0.01	-	-	-	-	-	-
<b>Tupelo Properties Private Limited</b>								
Inter corporate deposit received	-	-	-	-	-	19,000.00	-	-
Margin Money deposit given	-	-	-	-	-	5,000.00	-	-
Interest on inter corporate deposit	-	-	-	-	2,529.18	1,069.07	-	-
<b>Laurel Energetics Private Limited</b>								
Reimbursement of expense	-	-	-	-	9.69	-	-	-
<b>Neobrandz Limited</b>								
Rental income	-	-	28.00	7.00	-	-	-	-
Recovery of expenses	-	-	-	0.52	-	-	-	-
Purchase of goods	-	-	966.21	-	-	-	-	-
Sale of goods	-	-	86.55	-	-	-	-	-
Other income	-	-	1.77	-	-	-	-	-
<b>NeoSky India Limited</b>								
Sale of goods	-	-	0.41	-	-	-	-	-
<b>Chandramouli Venkataraman (Chief Executive Officer)</b>								
Short term employee benefits	-	-	-	-	-	-	234.58	244.93
<b>Soumik Bhusan (Chief Financial Officer)</b>								
Short term employee benefits	-	-	-	-	-	-	137.14	119.58
<b>Riddhi Doshi (Company Secretary) (till 6th April 2023)</b>								
Short term employee benefits	-	-	-	-	-	-	0.27	15.44
<b>Mayanka Srivastava (Company Secretary) (w.e.f. 7th April 2023)</b>								
Short term employee benefits	-	-	-	-	-	-	32.17	-

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**B. Balance outstanding:**

Particulars	Holding Company		Fellow subsidiaries		Enterprise over which key management personnel have significant influence		Key Managerial Personnel	
	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
<b>RattanIndia Enterprises Limited</b>								
Reimbursement of expense payable	-	0.01	-	-	-	-	-	-
Service expense payable	49.68	31.12	-	-	-	-	-	-
Corporate guarantee charges payable	311.57	2.45	-	-	-	-	-	-
<b>Tupelo Properties Private Limited</b>								
Inter corporate deposit payable	-	-	-	-	19,000.00	19,000.00	-	-
Margin Money deposit receivable	-	-	-	-	5,000.00	5,000.00	-	-
<b>Neobrand Limited</b>								
Rental income receivable	-	-	2.33	7.56	-	-	-	-
Amounts receivable	-	-	49.04	-	-	-	-	-
<b>Chandramouli Venkataraman (Chief Executive Officer)</b>								
Short term employee benefits	-	-	-	-	-	-	37.28	-
<b>Soumik Bhusan (Chief Financial Officer)</b>								
Short term employee benefits	-	-	-	-	-	-	28.00	25.90
<b>'Riddhi Doshi (Company Secretary) (till 6th April 2023)</b>								
Short term employee benefits	-	-	-	-	-	-	-	2.75
<b>Mayanka Srivastava (Company Secretary) (w.e.f. 7th April 2023)</b>								
Short term employee benefits	-	-	-	-	-	-	5.12	-

- (i) There are no non cash transactions entered with promoters or directors.
- (ii) Related party transactions were conducted on the terms equivalent to those prevailing in an arm's length transaction.
- (iii) The Company's principal related parties consist of RattanIndia Enterprise Limited and key managerial personnel. The Company's material related party transactions and outstanding balances are with the related parties with whom the Company routinely enters into transaction in ordinary course of business.
- (iv) Key managerial personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee benefits' in the financial statements. As the employees benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
- (v) The Holding company has provided corporate guarantee for a total amount of Rs. 56,950 lakhs (31 March 2023 : Rs. 29,950.00 lakhs) to the Company's vendors and lenders.

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## 35 Earnings per share:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit for the year	4,644.71	4,696.98
Opening number of shares	3,50,10,000	1,60,10,000
Weighted average number of equity shares used in computing basic earnings per share	3,50,10,000	3,19,93,562
Weighted average number of equity shares used in computing diluted earnings per share	3,50,10,000	3,19,93,562
Closing number of shares	3,50,10,000	3,50,10,000
Face value per equity share (Rs.)	10.00	10.00
Basic earnings per equity share - (Rs.)	13.27	14.68
Diluted earnings per equity share - (Rs.)	13.27	14.68

## 36 Income tax

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Tax expense comprise of:</b>		
Current tax expense	1,790.53	1,496.40
Short provision for tax relating to earlier years	80.76	-
Deferred tax credit	(136.52)	(139.29)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1,734.77</b>	<b>1,357.11</b>

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.168% (31 March 2023: 25.168%) and the reported tax expense in profit or loss are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Accounting profit/(loss) before income tax</b>	<b>6,379.48</b>	<b>6,054.09</b>
At India's statutory income tax rate of 25.168% (31 March 2023: 25.168%)	1,605.59	1,523.69
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Expenses never allowed under Income-tax Act, 1961	48.42	32.44
Tax impact of utilization of brought forward losses	-	(97.70)
Adjustment for tax rate on gain on sale of investment	-	(101.32)
Adjustment relating to earlier years	80.76	-
<b>Income Tax expense</b>	<b>1,734.77</b>	<b>1,357.11</b>

## 37 Reconciliation of liabilities arising from financing activities

Particulars	Borrowings	Lease Liabilities	Total
<b>As at 31 March 2022</b>	<b>143.41</b>	<b>3,235.16</b>	<b>3,378.57</b>
<b>Cash flows:</b>			
Proceeds from borrowings (net)	61,923.60	-	61,923.60
Payment of lease liabilities	-	(413.10)	(413.10)
<b>Non-cash:</b>			
ICD converted into share capital	(19,000.00)	-	(19,000.00)
Fair value adjustments	-	195.81	195.81
Accrued interest adjustments	147.15	-	147.15
<b>As at 31 March 2023</b>	<b>43,214.16</b>	<b>3,017.87</b>	<b>46,232.03</b>
<b>Cash flows:</b>			
Proceeds from borrowings (net)	3,630.10	-	3,630.10
Payment of lease liabilities	-	(507.81)	(507.81)
<b>Non-cash:</b>			
Addition of new lease	-	2,500.26	2,500.26
Termination of lease	-	(2,803.16)	(2,803.16)
Fair value adjustments	-	318.27	318.27
Accrued interest adjustments	7.85	-	7.85
<b>As at 31 March 2024</b>	<b>46,852.11</b>	<b>2,525.43</b>	<b>49,377.54</b>

38 The Chief Operating Decision Maker ("CODM") reviews the operations at the Company level. The operations of the Company fall under "trading activities through ecommerce platform" business only, which is considered to be the only reportable segment, in accordance with the provisions of Ind AS 108 – Operating Segments.

Revenue of Rs. 548,961.08 lakhs (31 March 2023 - Rs. 406,567.66 lakhs) has been derived through sales to customers, spread across the country. The Company has business operations only in India and does not hold any assets outside India.

## Revenue from major customers

There is no single customer that accounts for more than 10% of the Company's revenue for the year/ period ended 31 March 2024 and 31 March 2023. The other disclosure requirements of Ind AS 108 are not applicable.





## 39 Details of assets pledged

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Non Current Assets</b>		
Property, plant and equipment	170.18	150.83
<b>Current Assets</b>		
Inventories and trade receivables	94,353.24	1,05,765.37
Other current Assets	46,611.57	33,081.29
	<b>1,41,134.99</b>	<b>1,38,997.49</b>

## 40 Leases disclosure

The Company has entered into a lease agreement with a lessor for lease of new office premises for a term of 84 months, starting from 30 November 2023 and ending on 30 November 2030. Lease obligation and right of use asset has been recognised for such lease using EIR method.

The Company had entered into a lease agreement for lease of office premises for a term of 108 months, starting from 01 February 2022 and ending on 31 January 2031. The lease was terminated during the year on 31 December 2023. Lease obligation and right of use asset has been derecognised as per Ind AS 116.

Further, the Company has entered into sublease agreement with 'Neobrand Limited for the use of lease premises for carrying business for term of 11 months effective 01 January 2023, which has been considered as operating lease as per Ind AS 116.

a) The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in balance sheet:

Right of use assets	No of right-of use assets leased	Range of remaining term	Average remaining lease term	No of leases with extension options	No of leases with purchase options	No of leases with variable payments linked to an index	No of leases with termination options
Office premises (31 March 2024)	1	80 Months	80 Months	1	-	-	1
Office premises (31 March 2023)	1	94 Months	94 Months	1	-	-	1

b) Additional information on the right-of-use assets by class of assets is as follows:

Right of use assets	Opening balance	Additions	Depreciation	Deletion	Closing balance
Office premises (31 March 2024)	2,932.04	2,687.96	501.40	2,646.25	2,472.35
Office premises (31 March 2023)	3,303.18	-	371.14	-	2,932.04

c) Lease liabilities are presented in the statement of financial position as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current	187.73	217.29
Non-current	2,337.70	3,017.87
<b>Total</b>	<b>2,525.43</b>	<b>3,235.16</b>

d) The undiscounted maturity analysis of lease liabilities at 31 March 2024 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	498.86	2,259.23	1,075.06	3,833.15

The undiscounted maturity analysis of lease liabilities at 31 March 2023 is as follows:

Particulars	Less than 1 year	1-5 year	More than 5 years	Total
Lease payments	416.54	1,885.12	1,574.22	3,875.88

e) The Company had total cash outflows for leases of Rs. 507.81 lakhs in 31 March 2023 (31 March 2023 - Rs. 413.10 lakhs). The following are the amounts recognised in profit or loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation expense of right-of-use assets	501.40	371.14
Interest expense on lease liabilities	283.85	195.81
Expense relating to short-term leases (included in other expenses)	54.06	33.95
<b>Total</b>	<b>839.31</b>	<b>600.90</b>

## f) Operating Lease

The Company has taken on lease certain assets under operating lease arrangements. The contractual future minimum lease payment obligation in respect of these leases are as under:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Office premises</b>		
Minimum lease obligations:		
- Within one year	5.87	3.54
- Later than one year but not later than five years	0.45	0.15
- Later than five years	-	-
<b>Total</b>	<b>6.32</b>	<b>3.69</b>

At 31 March 2024, the Company had not committed to leases which had not commenced.

The Company has elected not to recognise a lease liability for short term leases (leases of expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.





**41 Financial Ratios**

Following are analytical ratios for the year ended :-

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	% change	Reason for variance
Current ratio	Current assets	Current liabilities	1.35	1.34	0.72%	
Debt - equity ratio	Total debt (i)	Shareholder's equity	1.07	1.10	-2.73%	
Debt service coverage ratio	Earning available for debt service	Debt service	1.88	3.32	-43.40%	Refer footnote (ii)
Return on equity	Net profits/(loss) after taxes	Average shareholder's equity	11.18%	17.17%	-34.86%	Refer footnote (iii)
Inventory Turnover Ratio	Cost of goods sold	Average inventory	4.78	6.43	-25.66%	Refer footnote (iv)
Trade receivables turnover ratio	Revenue	Average trade receivables	133.41	187.33	-28.78%	Refer footnote (v)
Trade payable turnover ratio	Purchase of services and other expenses	Average trade payables	9.29	15.80	-41.20%	Refer footnote (vi)
Net capital turnover ratio	Revenue	Working capital	15.15	11.63	30.27%	Refer footnote (vii)
Net Profit ratio	Net profit	Revenue	0.85%	1.16%	-26.76%	Refer footnote (viii)
Return on capital employed	Earning before interest and tax	Capital employed	15.75%	10.78%	46.06%	Refer footnote (vii)

(i) Excluding lease liabilities.

(ii) Increase in financing facilities availed in current year.

(iii) Due to infusion of shareholder's funds in the previous year, the average shareholder equity as at 31 March 2023 was lower as compared to 31 March 2024.

(iv) Due to increase in operations in previous year, the average inventory was lower as compared to 31 March 2024.

(v) Due to increase in operations in previous year, the average trade receivables was lower as compared to 31 March 2024.

(vi) Due to increase in operations in previous year, the average trade payables was lower as compared to 31 March 2024.

(vii) Due to increase in revenue during current year.

(viii) Due to increase in finance cost during current year.

- 42 The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 September 2020, which could impact the contributions of the Company towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.

- 43 Disclosures under the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	20,384.76	9,286.80
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	45.60	101.76
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	147.36	101.76
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	147.36	101.76

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**44 Corporate Social Responsibility (CSR)**

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

- (a) Gross amount required to be spent as per the limits of Section 135 of the Companies Act, 2013 : Rs. 47.24 lakhs (31 March 2023 : Nil)  
(b) Amount spent and paid during the year ended 31st March 2024 : Rs. 50.00 lakhs (31 March 2023 : Nil)

**Details of Corporate Social Responsibilities**

Particulars	As at 31 March 2024	As at 31 March 2023
(i) Amount required to be spent by the Company during the year	47.24	-
(ii) Amount of expenditure incurred	50.00	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous year shortfall	-	-
<b>Total amount contributed during the year</b>	<b>50.00</b>	<b>-</b>
(v) Reason for shortfall:	N.A.	N.A.
(vi) Nature of CSR activities	Education related activities	-
(vii) Related party transactions in relation to corporate social responsibility	-	-
(viii) Provision movement during the year	N.A.	N.A.

- 45 The Company operates as a seller on the online ecommerce marketplace platform. In accordance with the terms of the Services Business Solution Agreement, such online marketplace platform provides storage services once the receipt of delivery of goods is confirmed and accordingly, the Company's inventory is stored in various fulfilment centers run by such online marketplace platform. The management relies on the inventory records produced by the online marketplace platform. The Company is not exposed to inventory risk due to any damage or loss as the online marketplace platform entity is responsible for making good the loss (if any) to the inventory in its custody.

Considering the nature of operations, the Company's management themselves cannot perform physical verification of inventory but relies upon the confirmation of the inventory held, as obtained from the online marketplace platform at regular intervals. As per such confirmation, no material discrepancies were noticed during the current year.





- 46 The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall only use such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The new requirement is applicable with effect from the financial year beginning on 01 April 2023.
- The Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the respective software, except for the instances mentioned below:
- (i) The audit trail (edit log) feature in the accounting software used for maintaining the details of other expenses, borrowings and general ledger of the Company was not enabled for the period 01 April 2023 to 29 May 2023.
- (ii) The audit trail (edit log) was not enabled at the database level for the accounting software to log any direct data changes, used for maintaining details of revenue, purchases and certain expenses by the Company.
- (iii) The accounting software used for maintenance of payroll records of the Company is operated by a third-party software service provider. The Company has obtained the 'Independent Service Auditor's Assurance Report on the Description of Controls, their Design and Operating Effectiveness' ("Type 2 report" issued in accordance with ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information). However, the service auditor has not specifically covered the existence of audit trail for any direct changes at database level.
- Further, no instance of audit trail feature being tampered with was noted in respect of the respective software.
- 47 Other statutory information
- (i) The Company did not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- (ii) The Company did not have any transactions with struck off companies under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- (iii) The Company did not have any charges or satisfaction which is yet to be registered with Registrar of Companies ("ROC") beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared as a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the act read with the Companies (Restriction on Number of Layers) Rules 2017.
- 48 During the year ended 31 March 2024, the Company issued secured redeemable Unlisted Unrated Non-Convertible Debentures aggregating to Rs. 10,000 lakhs. As per the terms of the Debenture Trust Deed, the Company is required to create Debenture Redemption Reserve (DRR) in accordance with the provisions of the Companies Act. Accordingly, the Company has created DRR aggregating to Rs. 632.52 lakhs on the outstanding amount as at 31 March 2024.
- 49 In respect of amounts as mentioned under Section 125 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as at 31 March 2024.
- 50 During the year ended 31 March 2024, the Company in the normal course of business has received certain queries from Goods and Service tax department, in relation to reconciliation of output tax liability, pattern of input tax credit availment etc., for which management has already submitted its responses. No subsequent communication/ demand has been received by the Company, requiring any adjustment in these financial statements.
- 51 The Company evaluates events and transactions that occur subsequent to the balance sheet date, there were no significant adjusting events that occurred other than those disclosed/given effect to in these financial statements.

**For Walker Chandio & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/ N500013



Deepak Mittal

Partner

Membership No. : 503843

Place: New Delhi

Date : 28 May 2024

**For and on behalf of the Board of Directors**


Surinder Kumar Aery

Director

DIN-02430754

Place : New Delhi

Date : 28 May 2024



Amit Jain

Director

DIN-06802414

Place : New Delhi

Date : 28 May 2024



Chandramouli Venkataraman

Chief Executive Officer

Place : Bangalore

Date : 28 May 2024



Soumik Bhusan

Director and Chief Financial Officer

DIN-08938408

Place : Bangalore

Date : 28 May 2024



Mayanka Srivastava

Company Secretary

Place : Bangalore

Date : 28 May 2024

