KIRANAKART TECHNOLOGIES PRIVATE LIMITED

Registered Office: 4th Floor, Wework Chromium – Powai, Jogeshwari Vikhroli Link Rd, Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076, Maharashtra, India.
CIN: U46909MH2020PTC351339
Email: cosec@zeptonow.com Contact no. +91 8108873384

NOTICE OF ANNUAL GENERAL MEETING

Shorter notice is hereby given that the fourth Annual General Meeting (AGM) of Kiranakart Technologies Private Limited, [kk/AGM/FY24-25] will be held on Tuesday September 24, 2024, at the registered office of the company at 4th floor, Wework Chromium Powai, Jogeshwari Vikhroli link Rd Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076 Maharashtra, India, at 3 P.M IST to transact the following business:

A. ORDINARY BUSINESS

Item No. 1 Adoption of Financial Statements of the Company for the Financial Year ended 31st March 2024

To receive, consider and adopt the Audited Balance Sheet as on 31st March 2024, Profit & Loss Accounts and Cash Flow Statement for the period ended 31st March 2024, together with reports of Directors and Auditors thereon and pass the following resolution as Ordinary Resolution:

"**RESOLVED THAT** the standalone and consolidated Audited Balance Sheet of the Company as on March 31, 2024, and the Statement of Profit & Loss A/c comprising of Cash Flow Statement, if any and Notes thereto, for the year ended as on that date together with the reports of the Board of directors and Auditors' thereon be and are hereby received, considered and adopted.

RESOLVED FURTHER THAT the Directors of the Company be and hereby severally authorized to do all such acts, deeds, and things as are necessary to give effect to the above resolution.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by any directors, may be furnished to any person(s) as may be required."

Item No.2: Appointment of Auditors

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules, 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors at its meeting held on 19-09-2024 M/s. **S. R. Batliboi & Associates LLP**, Chartered Accountants, (Firm Registration No. 101049W/E300004), be and are hereby appointed as Statutory Auditors of the Company who shall hold office for a period of Four years beginning from the conclusion of this Annual General Meeting to be held for the Financial year ended March 31, 2024, till the conclusion of the annual general meeting of the Company to be held for the financial year ended as on March 31, 2028, i.e. for the financial year 2024-25 to the financial year 2027-28;

FURTHER RESOLVED THAT M/s. **S. R. Batliboi & Associates LLP**, Chartered Accountants, (Firm Registration No. 101049W/E300004), be and are hereby appointed as Statutory Auditors of the Company on such remuneration as may be fixed by the Board of Directors in consultation with them.

RESOLVED FURTHER THAT the Directors of the Company be and hereby severally authorized to do all such acts, deeds, and things as are necessary to give effect to the above resolution.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by any directors, may be furnished to any person(s) as may be required."

On a show of hands, the Chairman declared the aforesaid Ordinary Resolution carried unanimously.

SPECIAL BUSINESS

Item No. 3: To Approve Increase in Authorised Share Capital of the company and amendment to the Capital Clause of Memorandum of Association:

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 13, 61 and 64 and any other applicable provisions if any, of the Companies Act, 2013, (including any statutory modification (s) or re-enactment thereof, for the time being in force) and the relevant rules framed there under and in accordance with the applicable provisions of the articles of association of the Company, the consent of members be and is hereby accorded to increase the authorized share capital from INR 20,10,00,000 (Indian Rupees Twenty Crore Ten Lakh only) divided into 1,99,00,000 (One Crore Ninety-Nine Lakhs) Equity Shares of INR 10/- each and 2,00,000 (Two Lakh) Preference Shares of INR 10/- each to INR 2,00,00,00,00,000 (Indian Rupees Twenty thousand Crore only) divided into 15,00,00,00,000 (Fifteen hundred crore) Equity Shares of INR 10/- each and 5,00,00,00,000 (Five hundred crore) Preference Shares of INR 10/- each.

RESOLVED FURTHER THAT the consent of the shareholders be and is hereby accorded to amend the existing clause 5 of memorandum of association of the Company with the following:

'The Authorized Share Capital of the Company is INR2,00,00,00,00,000 {Indian Rupees Twenty Thousand Crore only) divided into 15,00,00,00,000 {Fifteen hundred crore) Equity Shares of INR 10/- each and 5,00,00,00,000 (Five hundred crore) Preference Shares of INR 10/- each."

RESOLVED FURTHER THAT Mr. Kaivalya Vohra and/or Mr. Nikhil Kumar Mittal the directors of the Company and/or Mr. Panduranga Acharya the General Counsel be and are hereby severally authorized to do all such acts, deeds, things and matters and to sign such other documents and file forms with the jurisdictional Registrar of Companies/Ministry of Corporate Affairs as may be necessary and expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by any directors, may be furnished to any person(s) as may be required."

On a show of hands, the Chairman declared the aforesaid Resolution was passed unanimously.

Item No. 4: To approve alteration of articles of association of the company

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"**RESOLVED THAT** subject to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules thereunder (including any statutory modifications or re-enactment thereof, for the time being in force), the Articles of Association of the Company be and hereby amended by modifying the clause no. 13 "Call on shares" and the same shall be read as;

13. Calls on Shares

"i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
(ii) Each member shall, pay to the company the amount called on their shares, at the time(s) and place(s) specified in the notice. The notice shall be served within a period as decided by the Board of Directors and shall indicate the time(s) and place(s) of payment.
(iii) A call may be revoked or postponed at the discretion of the Board."

RESOLVED FURTHER THAT Mr. Kaivalya Vohra and/or Mr. Nikhil Kumar Mittal the directors of the Company and/or Mr. Panduranga Acharya the General Counsel be and are hereby severally authorized to do all such acts, deeds, things and matters and to sign such other documents and file forms with the jurisdictional Registrar of Companies/Ministry of Corporate Affairs as may be necessary and expedient to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT the copies of the foregoing resolutions, certified to be true by any directors, may be furnished to any person(s) as may be required."

BY ORDER OF THE BOARD
FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED

NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

Date: 19th September 2024

KIRANAKART TECHNOLOGIES PRIVATE LIMITED
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NOTES:

1. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto as Annexure I.

2. Entry to the place of meeting will be regulated by an attendance slip which is annexed hereto as Annexure II to the notice. Members/proxies attending the meeting are kindly requested to complete the enclosed attendance slip and affix their signature at the place provided thereon and hand it over at the entrance.

3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy, who need not be a member of the Company, to attend and vote instead of himself. Proxies in order to be effective must be lodged with the Company at least 48 hours before the meeting. The proxy form is annexed hereto as Annexure III.

4. In case of corporate shareholders proposing to participate at the meeting through their representative, necessary authorization under Section 113 of the Act for such representation may please be forwarded to the Company.

5. The documents related to matters set out in the notice shall be open for inspection at the registered office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days up to and including the date of meeting.

6. Route map and land mark details for the venue of general meeting are attached as Annexure IV.

KIRANAKART TECHNOLOGIES PRIVATE LIMITED
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ANNEXURE I:

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: To Approve Increase in Authorised Share Capital of the company and amendment to the Capital Clause of Memorandum of Association:

The Company proposes to increase the author zed share capital from INR 20,10,00,000 (Indian Rupees Twenty Crore Ten Lakh only) divided into 1,99,00,000 (One Crore Ninety-Nine Lakhs) EQuity Shares of INR 10/- each and 2,00,000 (Two Lakh) Preference Shares of INR 10/- each to INR 2,00,00,00,00,000 (Indian Rupees Twenty thousand Crore only) divided into 15,00,00,00,000 (Fifteen hundred crore) Equity Shares of INR 10/- each and 5,00,00,00,000 (Five hundred crore) Preference Shares of INR 10/- each.

The Company is required to seek the approval of the members by way of ordinary resolution for the proposed increase in authorised share capital and amendment to the capital clause of the memorandum of association of the Company.

Your directors have accordingly recommended the resolution in item number 03 as an ordinary resolution for your approval.

None of the directors or their relatives or key managerial personnel of the Company or their relatives are concerned or interested in the passing of the resolutions in item number 03 set out above.

Item No. 4: To approve alteration of articles of association of the company

The Board of Directors of the Company, at its meeting held on 19-09-2024, recommended the alteration of

Clause 13 {call on Shares) of the existing Articles of Association. The proposed alteration grants the directors the authority to serve notices for calling the amounts due on shares and provides ftexibility in determining the call amount as deemed appropriate by the directors, as outlined in the resolution. As per the provisions of Section 14 of the Companies Act, a Special Resolution from the Members is reQuired to approve this alteration.

The Company is reQuired to seek the approval of the members by way of special resolution for the proposed amendment to article of association.

Your directors have accordingly recommended the resolution in item number 04 as a Special resolution for your approval.

None of the directors or their relatives or key managerial personnel of the Company or their relatives are concerned or interested in the passing of the resolutions in the item number 04 set out above.

BY ORDER OF THE BOARD
FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED

NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

Date: 19th September 2024

KIRANAKART TECHNOLOGIES PRIVATE LIMITED

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ANNEXURE II:

ATTENDANCE SLIP

(Please complete this attendance slip and hand it over at the entrance of the venue)

I hereby record my presence at the Annueal General meeting of Kiranakart Technologies Private Limited to be held on Tuesday September 24, 2024 at Registered Office of the Company situated at 4th Floor, Wework Chromium Powai, Jogeshwari Vikhroli Link Rd Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076 at 3.00 P.M

Full Name of the Shareholder/ Authorized representative: _____
_____
residing at/having registered office at_____
_____

Folio No.

No. of Shares held:

Name of Proxy (if any):

_____
Signature of the Shareholder/Proxy/
Corporate Representative*

KIRANAKART TECHNOLOGIES PRIVATE LIMITED

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ANNEXURE III

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail Id	
Folio No.	

I / We, being the member(s) of _____ equity shares of the above-named company, hereby appoint:

Name:	
Address:	
E-mail Id:	
Signature	

Name:	
Address:	
E-mail Id:	
Signature	

as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the Extra-Ordinary General Meeting of the company, to be held on WEDNESDAY, AUGUST 28, 2024 at Registered Office of the Company situated at 4th Floor, Wework Chromium Powai, Jogeshwari Vikhroli Link Rd Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076 at 1.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Special Business:

Item No.1: Adoption of Financial Statements of the Company for the Financial Year ended 31st March 2024

Item No.2: Appointment of Auditors

Item No.3: To Approve Increase in Authorised Share Capital of the company and amendment to the

Item No.4: Capital Clause of Memorandum of Association

Item No.5: To approve alteration of articles of association of the company

Signature of Shareholder: _____

Signature of Proxyholder: _____

KIRANAKART TECHNOLOGIES PRIVATE LIMITED

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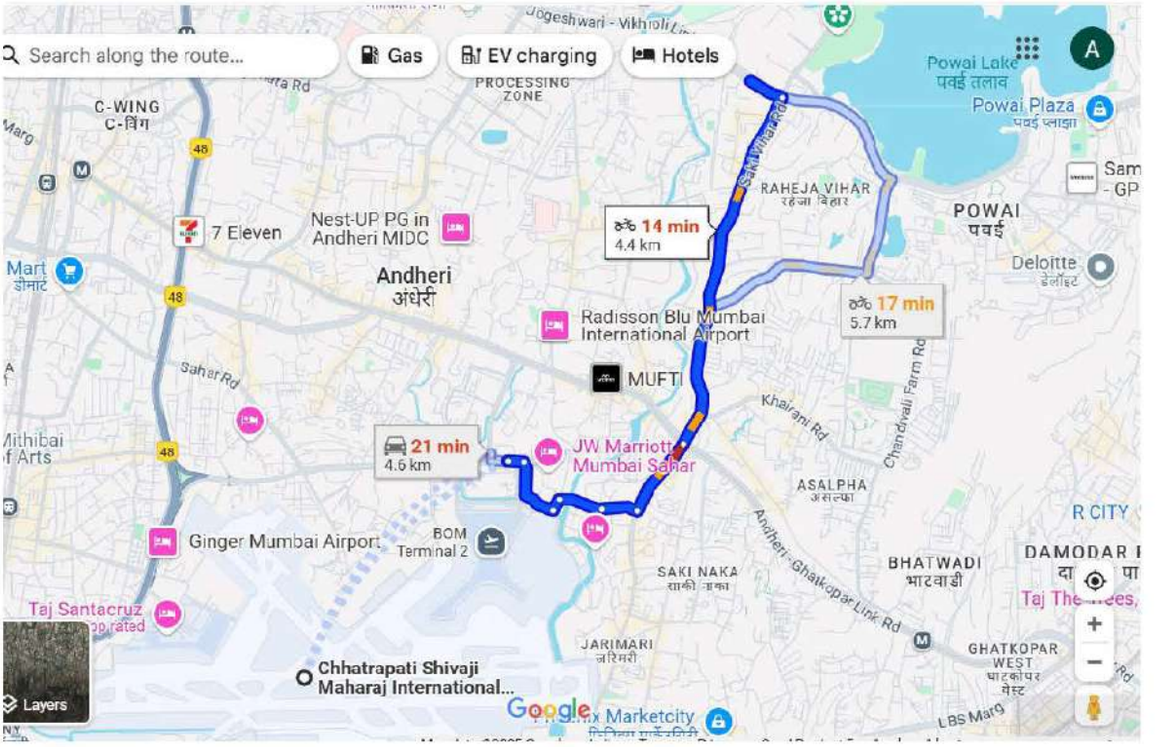
ANNEXURE IV:



KIRANAKART TECHNOLOGIES PRIVATE LIMITED
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FOURTH BOARD'S REPORT

To,
The Members,
Kiranakart Technologies Private Limited.

Your directors have pleasure in presenting the Fourth Board's Report of Kiranakart Technologies Private Limited ('**Company**') together with the Audited Standalone and Consolidated Financial Statements along with the Auditor's Report thereon for the financial year ('**FY**') ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS

The highlights of Company's financial performance on a standalone and consolidated basis, for the financial year ended 31st March, 2024 are summarized below:

Sr. No.	Particulars	For the year ended 31.03.2023 (amount in Mn)		For the year ended 31.03.2024 (amount in Mn)	
		Standalone	**Consolidated**	**Standalone**	**Consolidated**
1	Revenue from operations	20,256.96	20,256.96	41,341.32	44,545.16
2	Other Income	519.12	519.05	441.82	440.57
3	**Total Income**	**20,776.08**	**20,776.01**	**41,783.14**	**44,985.73**
4	Total Expenses	**33,494.44**	**33,500.87**	**54,229.02**	**57,472.13**
5	Profit/ Loss before tax and exceptional items	**(12,718.36)**	**(12,724.86)**	**(12,445.88)**	**(12,486.40)**
6	Exceptional Item	-	-		
7	Profit/ Loss before tax	**(12,718.36)**	**(12,724.86)**	**(12,445.88)**	**(12,486.40)**
8	Current Tax	-	-	-	-
9	Deferred Tax	-	-	-	-
10	**Profit/(Loss) after Tax**	**(12,718.36)**	**(12,724.86)**	**(12,445.88)**	**(12,486.40)**
11	Earnings per share (Rs.): Basic	(1,694.35)	(1,695.21)	(1,411.89)	(1,416.49)
12	Diluted	(1,694.35)	(1,695.21)	(1,411.89)	(1,416.49)

2. REVIEW OF OPERATIONS AND FINANCIAL SUMMARY

During the financial year under review, the Company's total revenue increased to Rs. 41,78,31,38,434/- as compared to Rs. 20,77,60,76,282/- in the previous financial year, registering a 101 % (approx.) increase in revenue. The Loss for the year stands at Rs. 12,44,58,81,671/. Your company has cemented its position in the market and is poised for strong growth in the coming years.

3. STATE OF COMPANY AFFAIRS

In continuation of the strategy to focus on market percolation in all the major cities while delivering customer satisfaction and diverse portfolio of product, your Company will continue to explore growth opportunities and increase its customer base in India. Your directors are optimistic about your Company's robust growth in the financial year 2024-2025 in view of the booming business of the Company.

4. CHANGE IN THE NATURE OF BUSINESS

There is no substantial change in the nature of business of the Company during the FY 2023-24. However, company has amended its object clause vide Extra-ordinary general meeting (EGM) dated April 06, 2023, and October 19, 2024. These amendments expanded the Company's scope to include activities related to technical, legal, financial, marketing, leasing, and rental matters, as well as actions necessary for furthering its objectives both in India and internationally, as approved in the EGMs.

5. DIVIDEND

In view of the losses, the Board does not recommend any dividend on Equity Shares for the financial year ended March 31st, 2024.

6. AMOUNTS TRASNFERED TO RESERVES

In view of losses during the financial year ended 31st March 2024, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2024.

7. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

Your Company incorporated a wholly owned subsidiary named 'Kiranakart Wholesale Private Limited' on 26th April, 2022. A statement containing the salient features of the financial statement of Kiranakart Wholesale Private Limited is attached to the Financial Statements of the Company in form AOC -1.

The Company neither have any Joint Venture or Associate Company nor have incorporated any new Subsidiary company during the financial year ended 31st March 2024.

8. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial statements during the financial year ended March 31st, 2024.

9. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The following are the Directors of the Company as on financial year ended March 31, 2024:

1. Mr. Kaivalya Vohra DIN: 09298721
2. Mr. Nikhil Kumar Mittal DIN: 08821475

There were no changes in the Board of Directors of the Company, during the year under review.

The Company has not appointed any Key Managerial Personnel during the financial year ending 31st March, 2024.

However, at the Board meeting held on June 14, 2024, the Board approved the appointment of Ms. Megha Hedge (ACS No. 66230) as the Company Secretary and Compliance Officer, effective from August 2, 2024.

10. COMMITTEES OF THE BOARD

During the year under review, the Company was not required to constitute any Statutory Committees of the Board of Directors of the Company.

11. AUDITOR

i. **Statutory Auditor**: M/s S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No. 101049W/E300004), has been appointed as the Statutory Auditors of the Company, in lieu of casual vacancy, at the 5th Extra-ordinary General Meeting of the Company held on 9th March 2024 to hold office till the conclusion of the ensuing Annual General Meeting of the Company to be held for the financial year ended March 31, 2024.

Further the Board of director in its meeting held September 19, 2024 has recommended the appointment of M/s S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No.

101049W/E300004), as the Statutory Auditors of the Company who shall hold office for a period of Four years beginning from the conclusion of this Annual General Meeting to be held for the Financial year ended March 31, 2024, till the conclusion of the annual general meeting of the Company to be held for the financial year ended as on March 31, 2028, i.e. for the financial year 2024-25 to the financial year 2027-28;

ii. **Cost Auditor:** The Company is not required to appoint a Cost Auditor as per the provisions of Section 148 of the Companies Act, 2013.

iii. **Secretarial Auditor:** As per the Audited Balance sheet for FY 2023-24, the Company now belongs to such class of companies as prescribed in the provisions of Section 204 of the Companies Act, 2013 and are eligible to appoint a Secretarial Auditor in the Current Financial Year and accordingly will be annexing a Secretarial Audit report in the financial year 2024-25.

iv. **Internal Auditor:** During the year under review, the Company was required to appoint an internal auditor pursuant to section 138 and Rule 13 of the Companies (Accounts) Rules, 2014. Accordingly, the Company has appointed M/s Protiviti India Member Private Limited as the Internal Auditors of the company vide Board meeting dated February 21, 2023.

12. STATUTORY AUDITORS' REPORT

The auditors have given an unqualified opinion on the financial statements for the year ended March 31st, 2024. However, opinion with respect to Internal Financial Control is qualified as mentioned in Annexure II of the Auditor report highlighting the material weakness with respect to not having appropriate information technology general controls, In response to this, the Board assures the Company that it will implement measures to enhance these controls.

The other observations and comments given by the auditor in the audit report are self-explanatory and doesn't require any comments by the Board thereon.

13. WEB ADDRESS OF ANNUAL RETURN, IF ANY

Your Company does not have any website where the Annual Return can be uploaded.

14. MEETINGS OF BOARD OF DIRECTORS

During FY 2023-24, the number of Board Meetings held was 14 (Fourteen). The maximum gap between any two Board Meetings was less than One Hundred and Twenty days in accordance with the provisions of the Companies Act, 2013. The Company has complied with the provisions of Secretarial Standard on Meetings of

the Board of Directors i.e. SS – 1 in relation to the Board Meetings and Secretarial Standard on General Meetings i.e. SS – 2, held during the financial year ended 31st March, 2024.

15. PARTICULARS OF LOANS AND INVESTMENT

Details of loans given, investments made or guarantees given or security provided as per the provisions of Section 186 of the Companies Act, 2013 are given in the notes forming part of the financial statements provided in this Annual Report.

16. DOWNSTREAM INVESTMENT

The Company being a foreign owned and controlled company has complied with the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") read with the Foreign Exchange Management (Non debt Instruments) Rules, 2019 ("NDI Rules") for the downstream investment made in other Indian Entity 'Kiranakart Wholesale Private Limited'. The Company has complied to all the compliance with respect to FEMA and the NDI Rules.

17. RELATED PARTY TRANSACTIONS

During the year under review, there were related party transactions entered into by the Company with its Wholly owned subsidiary company, Accordingly, the disclosure of particulars of contract/arrangements with related parties in form AOC – 2 is annexed hereto with the Board's report.

Related Party disclosures as per the Indian Accounting Standard is provided under the Notes to Accounts of the Financial Statements of the Company.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

Being a trading, technology & non-manufacturing entity, the cost of energy is not significant in the operations of the Company. In addition to the same, the Company adopts all the energy conservation measures wherever possible across all its offices.

Information in accordance with the provisions of Section 134(3) (m) of the Companies Act, 2013, read with other applicable rules are as under:

Conservation of Energy:

(i)	the steps taken or impact on conservation of energy	Considering the nature of operations of the Company, your Company's operation does not consume significant amount of energy. The Company adopts all the energy conservation measures wherever possible across all its offices.
(ii)	the steps taken by the company for utilizing alternate sources of energy	Not applicable, in view of comments in clause (i)
(iii)	the capital investment on energy conservation equipment's	Not applicable, in view of comments in clause (i)

Technology Absorption:

The Company is dedicated to harnessing technology to revolutionize every aspect of its operations. Our investment in technology infrastructure stands as a cornerstone of our commitment to providing a seamless customer experience. As a technology-first organization, we leverage artificial intelligence, machine learning, and advanced data science to continually innovate our platform for our valued customers. Our products prioritize personalization, ease of use, visual appeal, and robust engagement.

We are building and continuously improving warehouse management and last mile logistics products to improve end to end supply chain resulting in higher operational efficiency and reduced supply chain cost for our customers.

(i)	Efforts made towards Technology Absorption	**As mentioned above**
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution;	**As mentioned above**
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
	(a) Details of Technology Import	**NIL**
	(b) The year of import;	**NIL**
	(c) Whether the technology been fully absorbed	**NIL**
	(d) If not fully absorbed, area where absorption has not taken place, and the reason thereof	**NIL**
(iv)	The expenditure incurred on Research and Development	**NIL**

B. Foreign Exchange earnings and Outgo

Description	**FY 2024 (Rs.)**	**FY 2023 (Rs.)**
Earnings	NIL	NIL
Outgo	18,48,74,086.62	17,13,90,320.4

19. RISK MANAGEMENT POLICY

The Company has relevant polices to manage and mitigate the elements of risk threatening the Company's existence.

20. CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company is required to formulate the Corporate Social Responsibility Policy. However, pursuant to section 135(9) of the companies act 2013, constitution of the Corporate Social Responsibility Committee shall not be applicable and the functions of such Committee provided under this section shall, in such cases, be discharged by the Board of Directors of the company during the financial year ended 31st March 2024.

The brief outline of the CSR policy of the company and the initiatives undertaken during the year are set out it Annexure I in the format as prescribed by the rules.

21. SHARE CAPITAL

A. AUTHORISED SHARE CAPITAL

a. ***Increase in Authorized Share Capital*:**

The company has not increased its authorized share capital during the financial year under review. The Authorized share capital remained as follows for FY 2023-24:

The Authorized Share Capital of the Company is INR 20,00,00,000 (Indian Rupees Twenty Crores only) divided into 1,99,00,000 (One Crore Ninety-Nine Lakhs) Equity Shares of INR 10/- each and 1,00,000 (One Lakhs) Preference Shares of INR 10/- each.

However, it is to be noted that the company has increased its authorized share capital vide Extra-ordinary general meeting dated 28-08-2024 as follows:

The Authorized Share Capital of the Company is INR 20,10,00,000 (Indian Rupees Twenty Crores and Ten Lakhs only) divided into 1,99,00,000 (One Crore Ninety-Nine Lakhs) Equity Shares of INR 10/- each and 2,00,000 (Two Lakhs) Preference Shares of INR 10/- each

b. ***Reclassification of Authorized Share Capital***:

The company has not done any Reclassification of its authorized share capital during the financial year under review.

B. The Company has issued shares during the year under review in the following manner:

i. EQUITY SHARES:

During the year under review, the Company has allotted the following Equity Shares at Face Value of Rs. 10/- each issued at a premium of Rs. 11,526.30/- per share:

Sr. No.	No of Shares	Date of Allotment	Type of Issue
1.	3,61,034	09.10.2023	Rights Issue
2.	722068	22.12.2023	Rights Issue

ii. PREFERENCE SHARES:

During the year under review, the Company has not allotted Preference Shares. The Preference shares remain the same as follows:

C. During the year under review, the Company has undertaken following transactions:

Issue of Equity shares with differential rights	**Buy Back of Securities**	**Issue of Sweat Equity**	**Issue of Bonus Shares**	**Issue of Employees Stock Option**
Nil	Nil	Nil	Nil	Nil

22. DEBENTURES:

The Company has issued Debentures during the year under review, in the following manner:

Sr. No.	No. of Debentures	Type of Debentures	Face Value (FV) per Debentures (Rs.)	Date of Allotment
1.	5000	Series E Unrated, Unlisted, Secured, Redeemable, Non-Convertible Debentures	1,00,000	29.12.2023

23. PARTICULARS OF EMPLOYEES

In terms of Section 197 of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the statement relating to particulars of employees of the Company is available for inspection by the Members at the registered office of the Company during business hours on working days.

24. VARIOUS OTHER INFORMATIONS AS REQUIRED TO BE DISCLOSED IN THE DIRECTORS' REPORT AS PER THE COMPANIES ACT, 2013.

i. During the financial year under review, there were no significant and material orders passed by any regulatory authorities or courts or tribunals impacting the going concern status and company's operations in the future.
ii. The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.
iii. There was no application made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
iv. The provisions of Section 149(6) of Companies Act, 2013 pertaining to declaration required to be given by the Independent Directors is not applicable on the Company as the Company is not required to appoint Independent Directors as per Companies Act, 2013.
v. The provisions regarding Secretarial Audit Report are not applicable to the Company.
vi. The auditors have not reported any fraud to the Board, or the Central Government as covered under the provisions of section 143(12) of the Companies Act, 2013 for the financial year ended March 31st, 2024.

25. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The company has a policy for prevention of sexual harassment of women at workplace and has constituted the Internal Complaints Committee at PAN India, to redress complaints received, if any, regarding sexual harassment of women at workplace, in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("the Act"). All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year ended 31st March

2024, 7 complaints with allegation of sexual harassment were filed with the Committee out of which all 7 complaints have been handled and resolved as per the provisions of the Act and Nil complaints were pending to be resolved as on the end of the financial year.

26. DEPOSITS

The Company has not accepted any deposits under section 73 or section 76 of the Companies Act, 2013 from its members or from the public, respectively, during the financial year under review.

27. EVENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR 2024 AND THE DATE OF THIS REPORT:

a. The Company has allotted the following Equity Shares at Face Value of Rs. 10/- each issued at a premium of Rs. 24291/- per share:

Sr. No.	No of Shares	Date of Allotment	Type of Issue
1.	171475	07.06.2024	Rights Issue
2.	2165909	02.08.2024	Rights Issue
3.	60,020	20.08.2024	Rights Issue

b. the Company has allotted Preference Shares at Face Value of Rs. 10/- each issued at a premium of Rs. 24291/- as mentioned below:

Sr. No.	No of Shares	Date of Allotment	Type of Share	Type of Issue
1.	17284	30.08.2024	CCPS – IF -Compulsorily Convertible, Preference Shares	Private Placement
2.	31,800	20.09.2024	CCPS – I G -Compulsorily Convertible, Preference Shares	

c. The company has done a (i) prepayment/ early redemption of the 5,000 Unlisted, Secured, Redeemable, Non-Convertible Debentures ("Series D NCDs") having Face Value of Rs. 1,00,000/- each (Rupees One Lakh only), being issued at face value, aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores only), and has done a (ii) prepayment/ early redemption of the 750 Unlisted, Secured Redeemable Non-Convertible Debentures ("Series A NCDs") having Face Value of Rs. 10,00,000/- each (Rupees Ten Lakhs only), being issued at face value, aggregating to Rs. 75,00,00,000/- (Rupees Seventy-Five Crores only) vide Board meeting dated May 7, 2024.
d. The company has availed a FD backed OD facility with SBI Bank vide Board meeting dated May 7, 2024, and transaction documents dated July 1, 2024

e. The company has availed a Working capital facility along with a FD backed OD facility with ICICI Bank vide Board meeting dated July 15, 2024, and transaction documents dated August 14, 2024.

No other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of this Report.

28. OTHER EVENTS BETWEEN THE END OF THE FINANCIAL YEAR 2023 AND THE DATE OF THIS REPORT, ARE MENTIONED BELOW:

Pursuant to section 203 of Companies Act 2013, the company has appointed Ms. Megha Hegde as the company secretary and the compliance officer of the company vide Board meeting dated June 14, 2024.

29. HUMAN CAPITAL

The Board of Directors acknowledge and appreciate the contribution of all employees towards the performance of the Company and believe that the employees are the most valuable assets of the Company. The Company has a scalable recruitment and human resources management process.

30. MAINTENANCE OF COST RECORDS

As per the Companies (Accounts) Rules, 2014, as amended from time to time, disclosure as to maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to our Company and accordingly such accounts and records are not required to be made and maintained by the Company.

31. REVISION OF FINANCIAL STATEMENTS AND BOARD REPORT

There was no revision of financial statements and Board Report of the Company during the financial year under review.

32. VIGIL MECHANISM

During the year under review, the Company is required to establish Vigil Mechanism pursuant to section 177(9) & (10) of the Companies Act, 2013 and read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, the company has adopted and approved vide Board meeting dated 25th December 2023, the Whistle Blower Policy & Vigil Mechanism and the Board has nominated Mr. Kaivalya Vohra, DIN – 09298721, Director of the company to oversee the vigil mechanism.

33. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3)(c) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

a) In the preparation of the annual accounts for the year ended 31st March 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same.
b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2024 and of the profit and loss of the Company for the year ended 31st March, 2024.
c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
d) The Directors have prepared the annual accounts on a 'going concern' basis for the year ended 31st March, 2024.
e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such system is adequate and operating effectively.

34. ACKNOWLEDGMENT

The Board of Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, Government authorities, customers, vendors and members during the year under review. The Board of Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Date: 19-09-2024
Place: Mumbai

FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED

NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

KAIVALYA VOHRA
DIRECTOR
DIN: 09298721

KIRANAKART TECHNOLOGIES PRIVATE LIMITED

Regd. Office: 4th Floor, Wework Chromium – Powai, Jogeshwari Vikhroli Link Rd, Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076, Maharashtra, India.
CIN: U46909MH2020PTC351339 | Email: cosec@zeptonow.com |
Contact No.: +91 8108873384

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

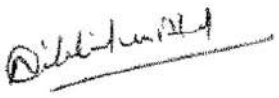
Statement containing salient features of the financial statement of **subsidiaries/ associate companies**/ joint ventures

Part "A": **Subsidiaries** (Information in respect of each subsidiary to be presented with **amounts in Million**)

1. Sr. No.	**Name 1**
2. Name of the subsidiary	Kiranakart Wholesale Private Limited
3. The date since when subsidiary was acquired/investment made	April 26, 2022
4. Reporting period for the subsidiary concerned if different from the holding company's reporting period	April 01, 2023, to March 31, 2024
5. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A
6. Share capital (Paid-up)	1.00
7. Reserves & surplus	(46.84)
8. Total assets	334.59
9. Total Liabilities	380.43
10. Investments	0
11. Turnover	3223.34
12. Loss before taxation	(40.52)
13. Provision for taxation	0
14. Loss after taxation	(40.52)
15. Proposed Dividend	0
16. Extent of shareholding (in %)	100

1. Names of subsidiaries which are yet to commence operations (if any) – None.
2. Names of subsidiaries which have been liquidated or sold during the year (if any) – None.

FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED



NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

KAIVALYA VOHRA
DIRECTOR
DIN: 09298721

DATE: 19-9-2024
PLACE: MUMBAI

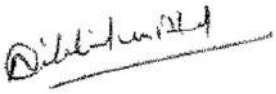
KIRANAKART TECHNOLOGIES PRIVATE LIMITED

Regd. Office: 4th Floor, Wework Chromium – Powai, Jogeshwari Vikhroli Link Rd, Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076, Maharashtra, India.
CIN: U46909MH2020PTC351339 | Email: cosec@zeptonow.com |
Contact No.: +91 8108873384

Part "B": Associates and Joint Ventures: Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate companies and Joint Venture: **Not Applicable**

1. Names of subsidiaries/associates which are yet to commence operations: **NA**
2. Names of subsidiaries/associates which have been liquidated or sold during the year: **NA**

FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED



NIKHIL KUMAR MITTAL	**KAIVALYA VOHRA**
DIRECTOR	**DIRECTOR**
DIN: 08821475	**DIN: 09298721**

DATE: 19-9-2024
PLACE: MUMBAI

KIRANAKART TECHNOLOGIES PRIVATE LIMITED

Regd. Office: 4th Floor, Wework Chromium – Powai, Jogeshwari Vikhroli Link Rd, Raje Sambhaji Nagar, Marol, Andheri East, Mumbai – 400076, Maharashtra, India.
CIN: U46909MH2020PTC351339 | Email: cosec@zeptonow.com |
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FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: **Nil**

Contracts/arrangements/transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on at arm's length basis.

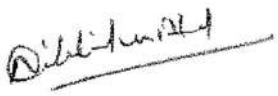
2. Details of material contracts or arrangement or transactions at arm's length basis

(Amount in INR)

	(a) Name(s) of the related party and nature of relationship	**(b) Nature of contracts / arrangements / transactions**	**(c) Duration of the contracts / arrangements / transactions**	**(d) Salient terms of the contracts or arrangements or transactions including the value, if any**	**(e) date(s) of approval by the Board if any**	**(f) transaction value during the year, if any (in millions)**
1.	Kiranakart Wholesale Private Limited (Wholly owned subsidiary company)	Sale of Traded Goods	Transaction During 23-24	-	-	13.31
2.	Kiranakart Wholesale Private Limited (Wholly owned subsidiary company)	Income from Services	Transaction During 23-24	-	-	6.19
3.	Modulus Hospitality Services LLP (Entity where relative of Director is having control)	Services received	Transaction During 23-24	-	-	2.78

4.	Mr. Jaideep Vohra (Relative of Director)	Services received	Transaction During 23-24	-	-	0.27

FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED



NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

KAIVALYA VOHRA
DIRECTOR
DIN: 09298721

DATE: 19-9-2024
PLACE: MUMBAI

[Annexure -1]

Format for the Annual Report on CSR Activities to be Included in the Board's Report For Financial Year 2023-2024

1. Brief outline on CSR Policy of the Company:

The Company's endeavors are aimed at making CSR one of the key focus areas to adhere to global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

The Company identifies its accountability for the impact of its activities on society as well the environment and endeavors to undertake its business operations in a responsible manner.

The CSR Policy is aimed to provide transparency of the CSR activities to be undertaken by the Company, as and when applicable.

The Company considers the interests of its stakeholders, compliance with applicable laws and respects Human Rights.

CSR has always been one of the important aspects of the business of the Company. The Company's CSR activities shall focus on bringing about inclusive growth in society while meeting compliance requirements as may be applicable from time to time.

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities, as and when applicable.

2. Composition of CSR Committee: N.A

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: N.A

4. Provide the details of Impact Assessment of CSR Projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014: Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl No.	Financial year	Amount available to set-off from the preceding financial years (in INR)	Amount required to be set off for the financial year, if any (in INR)
Nil			

6. **Average net profit of the company as per section 135(5):** Average net profit of last 3 years is not positive hence the company is not required to contribute/spend towards CSR activity in the current year.

7. (a) **Two percent of average net profit of the company as per section 135(5):** NIL

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) **Amount required to be set off for the financial year, if any:** NIL

(d) Total CSR obligation for the financial year (7a+7b-7c): NIL

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Nil					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
NIL												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the	Item from the	Local area	Location of the project.	Amount spent	Mode of implementation	Mode of implementation -

	Project	list of activities in schedule VII to the Act.	(Yes/ No).			for the project (in Rs.).	- Direct (Yes/No).	Through implementing agency.	
				State.	District.			Name.	CSR registration number.
NIL									

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): NIL

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	NIL
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
NIL							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the	Project duration.	Total amount allocated	Amount spent on the	Cumulative amount spent at	Status of the project -

			project was commenced.		for the project (in Rs.).	project in the reporting Financial Year (in Rs).	the end of reporting Financial Year. (in Rs.)	Completed /Ongoing.
NIL								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year**

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: N.A

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** N.A

FOR KIRANAKART TECHNOLOGIES PRIVATE LIMITED

NIKHIL KUMAR MITTAL
DIRECTOR
DIN: 08821475

KAIVALYA VOHRA
DIRECTOR
DIN: 09298721

DATE: 19-9-2024
PLACE: Mumbai

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Kiranakart Technologies Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Kiranakart Technologies Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

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

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The financial statements of the Company for the year ended March 31, 2023, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on September 27, 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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 purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for certain third-party operated software applications the backup of books of account was not kept in servers physically located in India on a daily basis and for the matters stated in paragraph (i)(vi) below on the reporting under Rule 11(g).

   c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI
CHARTERED ACCOUNTANTS

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g)

i) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer note 29 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. The Company has migrated to a new accounting software from legacy accounting software during the year. Based on our examination which included test checks, we note that -

- The new accounting software for maintaining its books of account has a feature of recording audit trail (edit log) facility but was not enabled throughout the year for all relevant transactions recorded in the software, as described in note 43 to the financial statements. Accordingly, we are unable to comment upon whether during the year any instance of audit trail feature was being tampered with in respect of the accounting software.

- The Company has used certain support software applications which does not have the feature of recording audit trail (edit log) facility, as described in note 43 to the financial statements, and accordingly, the requirement to report on tampering does not arise.

- Also, with respect to third-party operated software applications including the legacy accounting software, in the absence of Service Organization Controls report on audit trail, as described in note 43 to the financial statements, we are unable to comment on whether the audit trail feature with respect to third-party operated software applications was enabled and operated throughout the year for all relevant transactions recorded in these software applications or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Nilangshu Katriar**
Partner
Membership Number: 058814
UDIN: 24058814BKGSRN2341
Place of Signature: Mumbai
Date: September 19, 2024

Annexure 1 referred to in paragraph [1] under Report on Other Legal and Regulatory Requirements of our report of even date

Re: Kiranakart Technologies Private Limited (the "Company")

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 state that:

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) The Company has a programme of physical verification of Property, Plant and Equipment to cover all the items in phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. Pursuant to such a programme, verification of Property, Plant and Equipment has been completed for the year and no material discrepancies were identified on such verification.

(c) According to information and explanations given by the management and based on the examination of the financial statements there is no immovable property held in the name of the Company. In respect of immovable properties that have been taken on lease and disclosed as property, plant, and equipment in the financial statement, based on our examination of the lease agreements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Inventory and stocks lying with the third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year end, written confirmations have been obtained. In our opinion, the coverage and the procedure of such verification by the management is appropriate. Discrepancies on such physical verification were less than 10% in aggregate for each class of inventory and have been properly dealt with in the books of account.

(b) As disclosed in note 14 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

(iii) (a) During the year, the Company has provided loans to its subsidiary as follows:

Particulars	Loans (in million)
Aggregate amount granted/ provided during the year	437.23
Balance outstanding as at March 31, 2024 in respect of above cases	-

During the year, the Company has not made any investments, stood guarantee & has not provided advances in the nature of loans and security to companies, firms, Limited Liability Partnerships or any other parties.

(b) The terms and conditions of the grant of all loans made during the year to the subsidiary are not prejudicial to the Company's interest. During the year the Company has not made investments, provided guarantees, provided security and granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties, accordingly, the requirement to report on clause 3(iii)(b) of the Order is so far as it relates to investments, guarantees, security and advances in the nature of loans is not applicable to the Company.

(c) The Company has granted loans during the year to its subsidiary where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to its subsidiary which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to its subsidiary. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loans given to and investments made in the subsidiary have been complied with by the Company. The Company has not granted any loans, made investments or provided any guarantees under section 185 of the Companies Act, 2013 (the 'Act'). There are no guarantees and security in respect of which provisions of sections 186 of Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is so far as it relates to guarantees and security and section 186 is not applicable to the Company.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, service tax, duty of excise and value added tax are not applicable to the Company.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

(b) The Company has complied with provisions of sections 62 of the Act in respect of the preferential allotment of shares during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not made any private placement of shares /fully or partially or optionally convertible debentures during the year under audit and accordingly, the requirement to report section 42 under on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act, 2013 has been filed by the secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) In our opinion, the Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with section 188 of the Act, where applicable, and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has incurred cash losses amounting to Rs. 11,839 million in the current year and amounting to Rs. 12,188 million in the immediately preceding financial year respectively.

(xviii) The previous statutory auditors of the Company have resigned during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 38 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a)&(b) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) & 3(xx)(b) of the Order is not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership Number: 058814
UDIN: 24058814BKGSRN2341
Place of Signature: Mumbai
Date: September 19, 2024

Annexure 2 To the Independent Auditor's Report Of Even Date

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been as at March 31, 2024:

a. The Company did not have appropriate information technology general controls with respect to manage access, manage change and manage operations process which could potentially result in material misstatement in the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls with reference to standalone financial statements as of March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2024.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the standalone financial statements of Kiranakart Technologies Private Limited, which comprise the Balance Sheet as at March 31, 2024, and the related Statement of Profit and Loss , including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 standalone financial statements of Kiranakart Technologies Private Limited and this report does not affect our report dated September 19, 2024, which expressed an unqualified opinion on those financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Nilangshu Katriar**
Partner
Membership Number: 058814
UDIN: 24058814BKGSRN2341
Place of Signature: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Standalone Balance Sheet

as at March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,457.05	1,064.69
Capital work-in-progress	5	2.23	1.87
Intangible assets	6	53.53	25.85
Right-of-use assets	7	3,169.13	1,881.05
Intangible assets under development	8	-	17.79
Financial assets			
Investments	9(i)	1.00	1.00
Other financial assets	9(vi)	489.11	252.94
Non-current tax assets (net)		114.81	114.21
Other non-current assets	10	57.27	7.72
Total non-current assets		**5,344.13**	**3,367.12**
Current assets			
Inventories	11	1,228.70	1,577.33
Financial assets			
Investments	9(i)	-	748.26
Trade receivables	9(ii)	3,039.56	708.17
Cash and cash equivalents	9(iii)	3,977.75	177.22
Bank balances other than cash and cash equivalents	9(iv)	2,890.00	6,130.00
Loans	9(v)	-	4.66
Other financial assets	9(vi)	206.05	255.71
Other assets	10	2,325.59	1,811.99
Total current assets		**13,667.65**	**11,413.34**
Total assets		**19,011.78**	**14,780.46**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	95.11	84.28
Other equity	13	6,381.58	6,383.12
Total equity		**6,476.69**	**6,467.40**
Non-current liabilities			
Financial liabilities			
Borrowings	14(i)	567.32	469.28
Lease liabilities	14(ii)	2,691.34	1,417.35
Other financial liabilities	14(iv)	173.32	60.00
Provisions	15	125.11	37.98
Total non-current liabilities		**3,557.09**	**1,984.61**
Current liabilities			
Financial liabilities			
Borrowings	14(i)	1,069.00	740.00
Lease liabilities	14(ii)	729.80	588.58
Trade payables	14(iii)		
(I) Total outstanding dues of micro enterprises and small enterprises		729.58	887.50
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,656.01	2,650.36
Other financial liabilities	14(iv)	1,412.63	1,211.04
Provisions	15	164.50	71.09
Other liabilities	16	216.48	179.88
Total current liabilities		**8,978.00**	**6,328.45**
Total liabilities		**12,535.09**	**8,313.06**
Total equity and liabilities		**19,011.78**	**14,780.46**

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: ~~101049W/E~~300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ Million, except per equity share data and unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	17	41,341.32	20,256.96
Other income	18	441.82	519.12
Total income		**41,783.14**	**20,776.08**
Expenses			
Purchase of traded goods	19	31,395.52	19,530.26
Decrease/(Increase) in inventories of traded goods	20	348.63	(896.30)
Delivery and handling expense	21	5,803.01	3,668.99
Employee benefits expense	22	4,246.32	2,628.15
Finance costs	23	568.44	430.61
Depreciation and amortisation expense	24	1,209.80	675.88
Other expenses	25	10,657.30	7,456.85
Total expenses		**54,229.02**	**33,494.44**
Loss before tax		**(12,445.88)**	**(12,718.36)**
Tax expense/credit		-	-
Loss for the year		**(12,445.88)**	**(12,718.36)**
Other comprehensive income (OCI)			
Items not to be reclassified to profit or loss in subsequent years:			
Re-measurement (loss)/gain on defined benefit plans		(39.82)	4.32
Other comprehensive (loss)/gain for the year		**(39.82)**	**4.32**
Total comprehensive loss for the year		**(12,485.70)**	**(12,714.04)**
Earnings / (Loss) per equity share of face value ₹ 10 each			
Basic and Diluted	26	(1,411.89)	(1,694.35)

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ Million, except per equity share data and unless otherwise stated)

a) Equity share capital (refer note 12)

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
As at April 01, 2022	**2,648,314**	**26.48**
Issue of equity shares ₹ 10 each	5,780,000	57.80
As at March 31, 2023	**8,428,314**	**84.28**
Issue of equity shares ₹ 10 each	1,083,102	10.83
As at March 31, 2024	**9,511,416**	**95.11**

b) Other equity (refer note 13)

Particulars	Deemed capital contribution by Holding Company	Reserves and surplus		Other comprehensive income	Total
		Retained earnings	Securities premium		
Balance as at April 01, 2022	**70.05**	**(3,917.00)**	**7,176.96**	**-**	**3,330.01**
Loss for the year	-	(12,718.36)	-	-	(12,718.36)
Re-measurement gain on defined benefit plans	-	-	-	4.32	4.32
Issue of equity shares	-	-	15,837.20	-	15,837.20
Share based payment to employees (refer note 22)	309.97	-	-	-	309.97
Transferred to Payable to Holding Company (refer note 14(iv))	(380.02)	-	-	-	(380.02)
Balance as at March 31, 2023	**-**	**(16,635.36)**	**23,014.16**	**4.32**	**6,383.12**
Loss for the year	-	(12,445.88)	-	-	(12,445.88)
Re-measurement (loss) on defined benefit plans	-	-	-	(39.82)	(39.82)
Issue of equity shares	-	-	12,484.16	-	12,484.16
Share based payment to employees (refer note 22)	737.55	-	-	-	737.55
Transferred to Payable to Holding Company (refer note 14(iv))	(737.55)				(737.55)
Balance as at March 31, 2024	**-**	**(29,081.24)**	**35,498.32**	**(35.50)**	**6,381.58**

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Operating activities		
(Loss) before tax as per statement of profit and loss	(12,445.88)	(12,718.36)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation and amortization expenses	1,209.80	675.88
Interest income on fixed deposit	(255.54)	(496.64)
Interest on security deposit	(21.52)	(13.18)
Net foreign exchange differences (unrealised)	0.79	0.05
Gain on sale of mutual funds	(126.10)	(3.21)
Gain on termination of lease contracts	(24.52)	(5.66)
Interest on borrowings	178.45	172.66
Interest on lease liabilities (refer note 27)	366.71	241.62
Share-based payment expense	737.55	309.97
Interest income on income tax refund	(5.53)	(0.29)
Bank charges	23.28	16.33
Miscellaneous income	(8.61)	(0.07)
Provision for Doubtful Advances	26.44	73.82
Provision for gratuity expenses	47.96	37.20
Provision for compensated expenses	116.27	59.88
Fair value loss on financial instruments	79.82	-
Loss on disposals of property, plant and equipment	0.18	28.96
Total adjustments	**2,345.43**	**1,097.32**
Operating loss before working capital changes	**(10,100.45)**	**(11,621.04)**
Working capital adjustments:		
(Decrease) in non-current provisions	(116.92)	(59.94)
Increase in trade payables	1,846.95	1,797.33
Increase in other financial liabilities	33.50	60.00
(Decrease)/Increase in other financial current liabilities	(535.96)	1,128.83
Increase in other current liabilities	36.60	118.42
Increase in current provisions	93.41	52.87
Decrease/(Increase) in other financial current assets	21.12	(682.63)
(Increase)/Decrease in other financial non-current assets	(137.49)	114.56
(Increase) in other current assets	(540.05)	(160.40)
(Increase) in trade receivables	(2,331.40)	(560.87)
Decrease/(Increase) in inventories	348.63	(896.30)
Cash (used in) operating activities before taxes	**(11,382.06)**	**(10,709.17)**
Direct taxes refund/(paid)	4.92	(108.38)
Net cash (used in) operating activities (A)	**(11,377.14)**	**(10,817.55)**
Investing activities		
Purchase of property, plant and equipment	(1,024.87)	(625.32)
Proceeds from disposal of property, plant and equipment and intangible assets	1.98	0.75
Investment in subsidiary	-	(1.00)
Loan given to subsidiary	(437.23)	(4.60)
Loan repaid by subsidiary	443.45	-
Interest received	278.75	413.44
Proceeds/(Investment) in bank deposits	3,151.54	(6,306.37)
Purchase of Investments in Mutual funds	(31,510.79)	(1,794.81)
Proceeds from disposal of investments in mutual funds	32,385.15	1,050.00
Net cash (used in) investing activities (B)	**3,287.98**	**(7,267.91)**

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Kiranakart Technologies Private Limited

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Standalone Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Financing activities		
Proceeds from issue of equity share capital	12,494.99	15,895.00
Proceeds from issue of preference share capital	-	0.02
Proceeds from issue of debentures (net of repayments)	427.04	1,209.28
Interest paid on debentures	(178.45)	(172.66)
Principal payment of lease obligations	(487.18)	(259.43)
Interest payment of lease obligations	(366.71)	(241.62)
Net cash generated from financing activities (C)	**11,889.69**	**16,430.59**
Net (decrease) / increase in cash and cash equivalents (A+B+C)	**3,800.53**	**(1,654.87)**
Cash and cash equivalent at the beginning of the year	177.22	1,832.09
Cash and cash equivalent at the end of the year (refer note 9(iii))	**3,977.75**	**177.22**

Note:

1. Non cash transactions relating to investing and financing activities. (refer note 14(v))
2. The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 Statement of Cash flows

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Standalone Notes to Financial Statements

as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

1. Corporate information

Kiranakart Technologies Private Limited, incorporated on December 05, 2020, operates as a private limited Company under the Companies Act, 2013, (hereinafter referred to as ""the Company""). The Holding Company is Kiranakart Pte Limited, Singapore.

The Company is engaged in:

a) licensing of intellectual property viz., brand 'Zepto' and several digital assets which have been designed, developed and owned by the Company including mobile application under the name and style of "Zepto" and website "www.zeptonow.com" (website and mobile application together known as "Platform") and technology support thereof to the Platform Licensees;

b) trading of consumer goods on a business- to- business ("B2B") basis;

c) logistic services such as storing, sorting, picking, packing, handling and delivery of consumer goods to the end consumers on behalf of third parties and other business support services;

d) revenue from advertisements displayed on the Platform.

These Financial statements were authorised for issue in accordance with a resolution by the Company's Board of Directors on September 19, 2024.

2. Summary of material accounting policies

a) Basis of preparation and measurement

The standalone financial statements are presented in ₹ and all values are rounded to the nearest million (₹ 000,000), except when otherwise indicated.

The Company and its subsidiary has incurred a loss amounting to ₹ 12,445.88 (March 31, 2023 : ₹ 12,718.36) and ₹ 40.52 (March 31,2023 : ₹ 6.50) respectively, for the year ending March 31, 2024 and has accumulated losses of ₹ 29,081.24 (March 31, 2023: ₹ 16,635.36) and ₹ 47.02 as at March 31, 2024 (March 31, 2023 : ₹ 6.50), respectively. The Holding Company has undertaken to provide financial and other support as necessary to enable the Company and its subsidiary to continue meeting its liabilities. Basis the support letter from the Holding Company, the Company is confident of meeting its liabilities (including that of subsidiary) existing at the date of Balance Sheet as and when they fall due within a period of twelve months from the balance sheet date. Accordingly, the financial statements of the Company and its subsidiary have been prepared on a going concern basis.

i. Statement of compliance:

The standalone 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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

ii. Historical cost convention:

The standalone financial statements have been prepared on a historical cost basis and on the accrual basis, except for the following assets and liabilities which have been measured at fair value:

(i) Certain financial assets and liabilities measured at Fair value (refer accounting policy regarding financial instruments),

(ii) Share based payments.

iii. New amended standards adopted by Company

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company applied for the first-time these amendments:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

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Kiranakart Technologies Private Limited

Standalone Notes to Financial Statements

as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

The other amendments to Ind AS notified by these rules are primarily in the nature of classifications. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

b) Current versus Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

c) Foreign Currencies

Functional and Presentation Currency

The Company has determined the currency of the primary economic environment in which the entity resides in and operates (being India) as the functional currency. The functional currency of the Company is Indian Rupees (₹). The Standalone Financial Statements have been presented in ₹, as it best represents the operating business performance and underlying transactions.

Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange as at the end of the reporting period.

Differences arising on settlement or translation of monetary items are recognised in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

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(All amounts are in ₹ Million, unless otherwise stated)

d) Investment in Subsidiaries

Investment in Subsidiary is carried at cost, less any impairment in the value of investment, in these separate Standalone Financial Statements. The said investments are tested for impairment, at-least annually and whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

e) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(i) **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) **Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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.

Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (p) Revenue from contracts with customers.

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(All amounts are in ₹ Million, unless otherwise stated)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both Holding to collect contractual cash flows and selling. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

(i) Financial assets at amortised cost (debt instruments)

(ii) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

(iii) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

(iv) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss. The Company's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

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(All amounts are in ₹ Million, unless otherwise stated)

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. The Company elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

(i) Disclosures for significant accounting estimates, judgements and assumptions – see Note 3

(ii) Trade receivables and contract assets – see Note 9(ii)

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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Kiranakart Technologies Private Limited

Standalone Notes to Financial Statements

as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

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. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. 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. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

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as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

Optionally Convertible Redeemable Preference Shares (OCRPS)

The Company has treated OCRPS as a derivative instrument of default redemption event value of which is linked to the instrument other than the host contract. Company has elected the option to fair value the entire instrument containing a derivative as financial liability and not to carry out split accounting for the same. Initial and subsequent measurement of the said instrument has been done at fair value through profit and loss account.

Offsetting of Financial Instruments

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

g) Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised, i.e. wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net fair value and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amounting assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared for the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h) Property, Plant and Equipment (PPE)

Recognition and Measurement

All items of property, plant and equipment are initially measured at cost and subsequently it is measured at cost less accumulated depreciation and impairment losses, if any. Costs include expenditures directly attributable to acquisition of assets. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced in intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Any subsequent cost incurred is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

The Company has a policy under which assets are capitalized as of the invoice date or launch date of stores, whichever is later. Additionally, for leasehold improvements and electrical fittings, the capitalization date will be the launch date of stores.

The Company has established a threshold for the recognition of low-value assets. Under this policy, assets with an acquisition cost of Indian rupees five thousand or less are considered low-value assets. Such assets are expensed directly to the Profit and Loss account when they are acquired, rather than being capitalized and depreciated over their useful life.

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Capital work in progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. The capital work- in-progress is carried at cost, net of accumulated impairment loss, if any, comprising direct cost, related incidental expenses and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for the intended use.

Depreciation Expense

The Company depreciates property, plant and equipment and intangible assets over the estimated useful life on a straight-line basis from the date the assets are available for use.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

The estimated useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of assets are as follows:

Category of assets	Estimated useful life
Computers including Computer servers	3 years
Furniture and fixtures	5 years
Office equipments	5 years
Electrical Installations and equipment	5 years
Lease hold improvements	5 years
Motor Vehicles	5 years

The Company, based on technical assessment and management estimates, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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 carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in the Statement of Profit and Loss in the year the asset is derecognised.

The residual values, useful life and methods of depreciation of property, plant and equipment are reviewed at each financial year end.

The effects of any change in the estimated useful lives, residual values and/ or depreciation method is accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. Such changes are accounted for in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.

i) Intangible Assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss when it is incurred.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. Intangible assets within indefinite useful lives are not amortised, but tested for impairment annually. Intangible assets with finite lives are amortised over the estimated useful life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss in the expense category consistent with the function of the intangible assets.

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Amortisation:

Intangible assets are amortised on straight line basis as per following useful life:

Category of assets	Estimated useful life
Intangible Assets	5 years

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

j) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand and demand deposits with an original maturity of three months or less that are readily convertible to known amount of cash and which are subject to an in significant risk of changes in value.

k) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The expense relating to a provision is presented in the statement of income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

l) Contingencies

A Contingent Liability is:

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognize a contingent liability but discloses the same as per the requirements of Ind AS 37.

A Contingent Asset is:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

The Company does not recognize contingent asset since it may result in the recognition of income that may never be realized.

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m) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results of the whole Company as one segment. Thus, as defined in Ind AS 108 'Operating Segments', the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the balance sheet and the statement of profit and loss. Further, the Company's long-lived assets are all located in India and most of the Company's revenues are derived from India, and hence no geographical information is presented.

n) Retirement and other employee benefits

Defined Benefit Plan

In accordance with applicable laws in India, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") for every employee who has completed 5 years or more of service on departure at 15 days salary (last drawn salary). The Gratuity Plan provides for a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment based on last drawn salary and tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date using projected unit credit method. The gratuity scheme is not funded.

Re-measurements, comprising of actuarial gains and losses, excluding net interest on defined benefit liabilities are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods. Past service costs are recognised in income statement on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Company recognizes restructuring-related cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under employee benefit expenses' in Statement of Profit and Loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.

(ii) Net interest expenses

Defined Contribution Plan

The Company makes contributions to the Provident Fund scheme, a defined contribution benefit scheme. These contributions are deposited with Government administered fund and recognised as an expense in the period in which the related service is performed. There is no further obligation on the Company on this defined contribution plan.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

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Share Based Payments

Share based compensation benefits are provided to certain employees of the Company by Kiranakart Pte. Limited, Singapore (the Holding Company) in the form of employee share option plan. The cost of equity settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number or equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a year represents the movement in cumulative expense recognised as at the beginning and end or that period and is recognised in employee benefits expense. The corresponding credit or debit is recorded as equity contribution which is then transfered to payable to Holding Company and in line with the guidance for group share based payments. That cost is recognised, together with a corresponding increase in liabilities, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood or the conditions being met is assessed as part or the Company's best estimate of the number of equity instruments that will ultimately vest. Any conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead an immediate expensing or an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met. Where awards include a market or non-vesting condition. the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and or service conditions are satisfied.

This transaction is within the scope of Ind AS 102 for the entity receiving the services. Even if the Company is not a party to the agreement with its employees, it nevertheless records a cost for this transaction. In effect, the accounting treatment is representing that the Company has received a capital contribution from the Holding Company, which the Company has then 'spent' on employee remuneration.

This is reibmursed by the Company to the Holding company.

o) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) 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). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. 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.

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Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is modification, a change in the lease term, a change in the lease payments. (e.g., changes to future payments resulting from a change in an index or rate is used to determine such lease payments) or a change in the assessment of an option to purchase underlying asset.

iii) Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

p) Revenue from contracts with customers

Revenue from contracts with customers is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

The following is a description of principal activities from which the Company generates its revenue:

Sale of traded goods

Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for products. Revenue from the sale of products is recognised when products are delivered to customer.

Rendering of services

Income from packaging and delivery services

Income from packaging and delivery service is recognised at a point in time when the products are delivered to the end customers.

Income from warehousing services

Revenue from warehousing services is recognised at a point in time when the products are delivered to the end customers.

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Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest method on a time proportionate basis. Interest income is included in other income in the statement of profit and loss.

Income from advertisement services

Revenue from advertising services is recognized over time during the contractual service period when the services have been performed and rendered.

Income from intellectual property services

Revenue from intellectual property services is recognized over time as per the contractual service period when the services have been performed and rendered.

Contract Balances

Contract assets

A contract asset is initially recognised for revenue earned from services because the receipt of consideration is conditional on successful completion of the rendering of services. Upon completion of the rendering of services and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (f) Financial instruments - initial recognition and subsequent measurement.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (f) Financial instruments - initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

q) Finance Cost

Finance expenses comprise interest cost on borrowings. Borrowing costs that are directly attributable to a qualifying asset are capitalised as part of cost of the asset. All other borrowing cost are expensed in the period in which they occur, using the effective interest method.

r) Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income in which case the related income tax is also recognised accordingly.

Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and at establishes provisions where appropriate.

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Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in Standalone Financial Statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offsets current tax assets against current tax liabilities, and they relate to taxes levied by the same tax at authority on either the same taxable entity or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

s) Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares if the same are dilutive in nature.

t) Inventories

Inventories are stated at the lower of cost or net realizable value. Costs include purchase costs and other costs incurred in bringing the inventories to their present location and condition. Inventories are primarily accounted for using first-in first-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Inventories of packing material are valued at cost.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realizable value.

u) Event occurring after balance sheet date

Based on the nature of the event, the Company identifies the events occurring between the balance sheet date and the date on which the standalone financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Company may provide a disclosure in the standalone financial statements considering the nature of the transaction.

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3. Significant accounting estimates, judgements and assumptions

The preparation of the Company's Standalone Financial Statements in conformity with Ind AS 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 at the reporting period. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. 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 Standalone Financial Statements are included in the following notes.

a) Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 5 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Company's property, plant and equipment at the end of the reporting period is disclosed in Note 4 to Standalone Financial Statements.

b) Employee benefits plan

The cost of the defined benefit gratuity plan, compensated absences and the present value of gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes.

c) Income tax and deferred tax

The Company has exposure to income taxes in Indian jurisdiction. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant managements judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

d) Impairment of financial assets

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

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e) Share based payment

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield, forfeiture rate and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 34.

f) Other estimates

The preparation of Standalone Financial Statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of Financial Statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

g) Fair Value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

h) Provision

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

i) Leases-Estimating the incremental borrowing rates

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Company's credit rating).

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4. Property, plant and equipment*

Particulars	Computers including Computer servers	Furniture and fixtures	Office equipments	Electrical Installations and Equipments	Lease hold improvements	Motor Vehicles	Total
Gross book value							
As at April 01, 2022	**148.50**	**190.47**	**41.90**	**184.39**	**232.12**	**1.64**	**799.02**
Additions	121.77	125.94	82.62	194.18	63.60	2.07	590.18
Disposals	(1.91)	(1.36)	(0.12)	(1.34)	(30.68)	(1.64)	(37.05)
As at March 31, 2023	**268.36**	**315.05**	**124.40**	**377.23**	**265.04**	**2.07**	**1,352.15**
Additions	145.37	256.37	156.34	265.63	55.33	2.70	881.74
Disposals	(1.67)	-	-	(1.64)	-	-	(3.31)
As at March 31, 2024	**412.06**	**571.42**	**280.74**	**641.22**	**320.37**	**4.77**	**2,230.58**
Accumulated depreciation							
As at April 01, 2022	**12.57**	**9.33**	**1.85**	**9.45**	**12.40**	**0.04**	**45.64**
Charge for the year	67.50	52.10	16.18	58.16	54.83	0.31	249.08
Disposals	(0.74)	(0.24)	(0.02)	(0.12)	(5.79)	(0.35)	(7.26)
As at March 31, 2023	**79.33**	**61.19**	**18.01**	**67.49**	**61.44**	**(0.00)**	**287.46**
Charge for the year	105.10	109.04	59.24	125.15	87.85	0.84	487.22
Disposals	(0.76)	-	-	(0.39)	-	-	(1.15)
As at March 31, 2024	**183.67**	**170.23**	**77.25**	**192.25**	**149.29**	**0.84**	**773.53**
Net book value							
As at March 31, 2024	**228.39**	**401.19**	**203.49**	**448.97**	**171.08**	**3.93**	**1,457.05**
As at March 31, 2023	**189.03**	**253.86**	**106.39**	**309.74**	**203.60**	**2.07**	**1,064.69**

*Refer note 29 for capital commitments.

Note :- All movable assets have been pledged to secure borrowings of the Company (Refer Note 14(i))

5. Capital work in progress (CWIP)

Particulars	Amount
At Cost	
As at April 01, 2022	**-**
Additions	1.87
Capitalized during the year	-
As at March 31, 2023	**1.87**
Additions	2.23
Capitalized during the year	(1.87)
As at March 31, 2024	**2.23**

Capital work-in-progress ageing schedule:

Particulars	Amount in CWIP of March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	2.23	-	-	-	2.23
Total	**2.23**	**-**	**-**	**-**	**2.23**

Particulars	Amount in CWIP of March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	1.87	-	-	-	1.87
Total	**1.87**	**-**	**-**	**-**	**1.87**

(i) The capital work in progress constitutes development expenses of leasehold improvements of the store/warehouse premises yet to be operational.

(ii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year.

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6. Intangible Assets

Particulars	Softwares	Total
At Cost		
As at April 01, 2022	-	-
Additions	26.41	26.41
Disposals	-	-
As at March 31, 2023	**26.41**	**26.41**
Additions	39.58	39.58
Disposals	-	-
As at March 31, 2024	**65.99**	**65.99**
Accumulated Amortisation		
As at April 01, 2022	-	-
Charge for the year	**0.56**	**0.56**
Disposals	-	-
As at March 31, 2023	**0.56**	**0.56**
Charge for the year	11.90	11.90
Disposals	-	-
As at March 31, 2024	**12.46**	**12.46**
Net book value		
As at March 31, 2024	**53.53**	**53.53**
As at March 31, 2023	**25.85**	**25.85**

7. Right-of-Use (RoU) assets

Particulars	Buildings	Total
Gross book value		
As at April 01, 2022	**1,609.12**	**1,609.12**
Additions	952.95	952.95
Disposals	(186.83)	(186.83)
As at March 31, 2023	**2,375.24**	**2,375.24**
Additions	2,208.95	2,208.95
Disposals	(331.49)	(331.49)
As at March 31, 2024	**4,252.70**	**4,252.70**
Accumulated depreciation		
As at April 01, 2022	101.85	101.85
Charge for the year	**426.24**	**426.24**
Disposals	(33.90)	(33.90)
As at March 31, 2023	**494.19**	**494.19**
Charge for the year	710.68	710.68
Disposals	(121.30)	(121.30)
As at March 31, 2024	**1,083.57**	**1,083.57**
Net book value		
As at March 31, 2024	**3,169.13**	**3,169.13**
As at March 31, 2023	**1,881.05**	**1,881.05**

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8. Intangible assets under development (IAUD)

Particulars	Amount
Gross book value	
As at April 01, 2022	-
Additions	17.79
Capitalized during the year	-
As at March 31, 2023	**17.79**
Additions	
Capitalized during the year	(17.79)
As at March 31, 2024	-
Net book value	
As at March 31, 2024	-
As at March 31, 2023	**17.79**

Intangible assets under development ageing schedule:

Particulars	Amount in IAUD of March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	-	-	-	-	-
Total	-	-	-	-	-

Particulars	Amount in IAUD of March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	17.79	-	-	-	17.79
Total	**17.79**	-	-	-	**17.79**

The intangible assets under development constitutes software development expenses.

9. Financial assets

(i) Investments

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Investments in subsidiary measured at cost (Unquoted)				
Kiranakart Wholesale Private Limited face value of ₹ 10 per share, Fully paid-up (March 31, 2023: face value : ₹ 10 per share)	100,000	1.00	100,000	1.00
Total	**100,000**	**1.00**	**100,000**	**1.00**
Aggregate value of unquoted investments		1.00		1.00
Aggregate amount of impairment in value of investments		-		-

Current

	As at March 31, 2024	As at March 31, 2023
Investment in Mutual Funds	-	748.26
Total	-	**748.26**

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(ii) Trade receivables and contract assets

	As at March 31, 2024	As at March 31, 2023
Trade receivables - Unsecured, considered good	3,039.56	708.17
Trade receivables, credit impaired	-	-
	3,039.56	**708.17**
Less: Allowances for expected credit loss	-	-
Total	**3,039.56**	**708.17**

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

The contract assets primarily relate to Company's rights to consideration for performance obligation completed but not billed at the reporting date due to contractual terms. The contract assets are transferred to receivables when the rights become unconditional.

Trade receivables are non-interest bearing and are generally on '0 to 30 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables ageing schedule:

As at March 31, 2024

Particulars	Contract assets	Not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	
Undisputed trade receivables – considered good	179.11	2,808.82	51.63	-	-	-	-	3,039.56
Undisputed trade receivables– credit impaired	-	-	-	-	-	-	-	-
Total	**179.11**	**2,808.82**	**51.63**	**-**	**-**	**-**	**-**	**3,039.56**

As at March 31, 2023

Particulars	Contract assets	Not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	
Undisputed trade receivables– considered good	2.70	705.47	-	-	-	-	-	708.17
Undisputed trade receivables– credit impaired	-	-	-	-	-	-	-	-
Total	**2.70**	**705.47**	**-**	**-**	**-**	**-**	**-**	**708.17**

(iii) Cash and Cash Equivalents

	As at March 31, 2024	As at March 31, 2023
Cash in hand (refer note (i) below)	-	-
Balances with banks in current accounts	37.75	44.42
Deposits with original maturity of less than three months (refer note (ii) and (iii) below)	3,940.00	132.80
	3,977.75	**177.22**

Note:

(i) Cash in hand includes 'cash collected on behalf of customers' amounting to ₹ 30.23 (March 31, 2023: ₹ 8.97) which has been netted off against 'payable to customers' in other financial liabilities.

(ii) Cash at banks earns interest at floating rates based on daily bank deposit rates on deposits. Short-term deposits are made for varying periods of between seven days and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

(iii) The Company has pledged part of its short-term deposits in order to fulfil the collateral requirements for the term loan. At March 31, 2024 and March 31, 2023, the fair values of the short-term deposits pledged were ₹ 300 and ₹ NIL, respectively. The counterparties have an obligation to return the securities to the Company.

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(iv) Bank balances other than cash and cash equivalents

	As at March 31, 2024	As at March 31, 2023
Deposits with original maturity of more than 3 months and less than 12 months*	2,890.00	6,130.00
Total	**2,890.00**	**6,130.00**

*Includes margin money deposit of ₹ 1,160.00 (March 31, 2023: ₹ 20.00) placed as a lien against bank guarantees/borrowings.

(v) Loans

	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good		
Loan to subsidiary*	-	4.66
	-	**4.66**

*This pertains to loan given to wholly owned subsidiary - Kiranakart wholesale private limited for a period of two years at an interest rate of 13.75% for general business purpose.

(vi) Other financial assets

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Security deposits	409.94	221.16	-	9.81
Interest accrued on deposit but not due	-	-	59.99	83.20
Bank deposits with original maturity of more than 12 months.*	79.17	0.04	146.06	160.00
Other receivables**	-	31.74	-	2.70
Total	**489.11**	**252.94**	**206.05**	**255.71**

*Includes margin money deposit of ₹ 153.96 (March 31, 2023: ₹ 160.00) placed as a lien against bank guarantees/borrowings.

**Other receivables pertains to receivable from delivery partners as on March 31, 2023.

Movement in interest accrued on deposit but not due:	As at March 31, 2024	As at March 31, 2023
Opening balance	83.20	-
Add: Interest accrued during the year	255.54	496.64
Less: Interest received during the year	(278.75)	(413.44)
Closing balance	**59.99**	**83.20**

10. Other assets

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good				
Capital advances	57.27	7.72	-	-
Balances with statutory/government authorities	-	-	2,033.14	1,691.21
Prepaid expenses	-	-	20.34	35.09
Other advances	-	-	35.50	3.97
	57.27	**7.72**	**2,088.98**	**1,730.27**
Advance to vendors	-	-	368.01	155.54
Less: Provision for Doubtful Advances	-		(131.40)	(73.82)
	-	**-**	**236.61**	**81.72**
Total	**57.27**	**7.72**	**2,325.59**	**1,811.99**

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11. Inventories (valued at lower of cost or net realizable value)

	Current	
	As at March 31, 2024	As at March 31, 2023
Stock-in-trade*	1,171.63	1,470.52
Goods-in-transit	42.93	85.49
Packing material	14.14	21.32
Total	**1,228.70**	**1,577.33**

*Out of total stock-in-trade ₹ 540.27 (March 31, 2023: ₹ 425.53) is being held by third parties as on reporting date. The goods-in-transit pertains to stock-in-trade.

For the year ended March 31, 2024 ₹60.59 (March 31, 2023: ₹ 140.04) was recognized as an expense to write down inventories to net realizable value and provision for slow moving and non-moving inventories.

12. Share capital

	Current	
	As at March 31, 2024	As at March 31, 2023
Authorized share capital		
19,900,000 (March 31, 2023: 19,900,000) equity shares of ₹ 10 each	199.00	199.00
100,000 (March 31, 2023: 100,000) Preference shares of ₹ 10 each	1.00	1.00
Total authorized share capital	**200.00**	**200.00**
Issued, subscribed and fully paid-up share capital		
9,511,416 (March 31, 2023: 8,428,314) Equity Shares of ₹ 10 each	95.11	84.28
Total issued, subscribed and fully paid-up share capital	**95.11**	**84.28**

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

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 per share				
At the beginning of the year	8,428,314	84.28	2,648,314	26.48
Issued during the year	1,083,102	10.83	5,780,000	57.80
Outstanding at the end of the year	**9,511,416**	**95.11**	**8,428,314**	**84.28**

(b) Terms and rights attached to equity shares

The Company has equity shares having par value of Rs. 10 per share . Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. 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) Shares held by Holding/ultimate Holding Company along with nominee shareholder

	As at March 31, 2024	As at March 31, 2023
	No. of shares	No. of shares
Equity shares of Rs. 10 each fully paid up		
Kiranakart Pte. Ltd, Singapore, the Holding Company	9,511,416	8,428,313
9,511,416 (March 31, 2023: 8,428,313) Equity Shares of ₹ 10 each		

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid up				
Kiranakart Pte. Ltd, Singapore, the Holding Company	9,511,416	100.00%	8,428,313	99.99%

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As per the records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares. During the year, the Holding Company has acquired 1 share held by the nominee shareholder.

(e) Neither bonus shares issued nor shares issued for consideration other than cash during a period of five years immediately preceding the reporting date.

13. Other Equity

	Amount
(a) Retained earnings	
As at April 01, 2022	**(3,917.00)**
Less: Loss for the year	(12,718.36)
As at March 31, 2023	**(16,635.36)**
Less: Loss for the year	(12,445.88)
As at March 31, 2024	**(29,081.24)**
(b) Securities premium	
As at April 01, 2022	**7,176.96**
Add: Issue of equity shares	15,837.20
As at March 31, 2023	**23,014.16**
Add: Issue of equity shares	12,484.16
As at March 31, 2024	**35,498.32**
(c) Deemed capital contribution by Holding Company	
As at 1 April 2022	**70.05**
Add: Share based payment to employees (refer note 22)	309.97
Less: Transferred to Payable to Holding Company (refer note 14(iv))	(380.02)
As at 31 March 2023	**-**
Add: Share based payment to employees (refer note 22)	735.55
Less: Transferred to Payable to Holding Company (refer note 14(iv))	(737.55)
As at 31 March 2024	**-**
(d) Other comprehensive income	
As at 1 April 2022	**-**
Add: Remeasurement gain on defined benefit plans	4.32
As at 31 March 2023	**4.32**
Add: Remeasurement loss on defined benefit plans	(39.82)
As at 31 March 2024	**(35.50)**
Total other equity	
As at 31 March 2024	**6,381.58**
As at 31 March 2023	**6,383.12**

Nature and purpose of reserves

Retained Earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Deemed capital contribution by Holding Company

Deemed capital contribution by Holding Company is used to recognise the value of equity settled share based payment provided to employees and same is used for payments towards share based payment expense recharge by the Holding Company.

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Other Comprehensive income

This pertains to re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

14. Financial liabilities

(i) Borrowings

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured - carried at amortized cost :				
Non convertible redeemable debentures (refer note (i) below)	274.87	469.25	697.08	740.00
Term Loan (refer note (ii)(a) below)	292.42	-	111.92	-
Working capital loan (refer note (ii)(b) below)	-	-	260.00	-
Secured - carried at fair value through profit and loss (FVTPL) :				
0.01% Series A optionally convertible redeemable preference shares (refer note (iii) below)	0.01	0.01	-	-
0.01% Series B optionally convertible redeemable preference shares (refer note (iii) below)	0.02	0.02	-	-
Total	**567.32**	**469.28**	**1,069.00**	**740.00**

Notes:

i) Non-Convertible Redeemable Debentures (NCDs)

a) Series E

On December 29, 2023, Company issued 5000 Series E Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry a interest rate of 12.50% p.a. payable monthly. Effective interest rate for the said loan is 13.73%.

27 equal monthly instalments of Principal amount of ₹ 18.51 commencing from April 2024.

b) Series C

On July 26, 2022, Company issued 2500 Series C Unrated, Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry a coupon rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 14.61%.

8 equal quarterly instalments of Principal amount of ₹ 31.25 commencing from October 2022, accordingly the same has been fully repaid on July 26, 2024.

c) Series A

On 30th June, 2022, Company issued-

(i) Series A Fund II Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 1,000,000 each and

(ii) Series A Fund III Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 1,000,000 each.

NCD shall carry an interest rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 15.21%.

Repayment schedule:

(i) Series A Fund-II 30 equal monthly instalments of Principal payment of ₹ 18.33 commencing after the 6 months moratorium period, accordingly the same has been fully repaid on May 10, 2024.

(ii) Series A Fund-III 30 equal monthly instalments of Principal payment of ₹ 12.91 commencing after the 6 months moratorium period, accordingly the same has been fully repaid on May 10, 2024.

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d) Series D

On August 1, 2022, Company issued 5000 Series D Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry an interest rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 15.66%.

25 equal monthly instalments of Principal amount of ₹ 20.00 commencing from November 2022, accordingly the same has been fully repaid on May 10, 2024.

ii) Loans and Borrowings

a) Term Loan

During the year, the Company has taken term loan secured by movable fixed assets and current assets amounting to ₹ 404.33 for the purpose of capital expenditure at the interest rate of 9.25% p.a. The Term Loan has to be repaid over the period of 3 years with monthly Instalment starting from May 07, 2024 (36 Instalments)

b) Working Capital Loan

During the year, the Company has taken working capital loan secured by movable fixed assets and current assets amounting to ₹ 140.00 and ₹ 120.00 at an agreed spread over external benchmarked treasury bill rate. Subsequent to balance sheet date, on April 02, 2024, the entire loan of ₹ 260.00 has been repaid.

Note:

(i) Bank loan contain certain financial covenants and the Company has satisfied all covenants as per the terms of bank loan.

(ii) Quarterly statements of current assets filed by the Company with banks are in agreement with the unaudited books of accounts.

iii) Preference Share capital

a) Series A

On July 26, 2022, the Company issued 8,182 Series A Optionally Convertible Redeemable Preference Shares (OCRPS) of ₹ 10 each at par partly paid up. OCRPS shall be partly paid up to the extent of ₹ 1 per OCRPS. Investor may make it fully paid at its option at any time during the exercise period. Upon being made fully paid up and at the option of the investor, the Company shall redeem the OCRPS on the earlier to occur of (a) liquidity event at the Holding Company level or (b) on the best effort basis on the 6th anniversary of the date of date of allotment of OCRPS (Exercise period) (c) on the best effort basis on any subsequent round of primary capital raise at the Holding Company level.

b) Series B

On August 01, 2022, the Company issued 16,364 Series B Optionally Convertible Redeemable Preference Shares (OCRPS) of ₹ 10 each at par partly paid up. Investor shall be entitled to subscribe to Preference shares to the extent of 9% of the investment amount i.e. ₹ 45.00, which when exercised at any time during the Exercise period (at the option of Investor). Upon becoming the fully paid up and at the option of the investor at any time upto 7 years from date of allotment, the Company shall redeem the OCRPS on the earlier to occur of (a) a liquidation event under the Holding Company shareholders agreement or (b) on a best effort basis of the Company, on the 8th anniversary of the date of issuance and allotment of OCRPS.

Preference shares of ₹ 10 each issued, subscribed and partly paid	No. of shares	Amount
As at April 01, 2022	-	-
Issue of Preference shares ₹ 10 each; Partly paid-up @ ₹ 1 each	24,546	0.03
As at March 31, 2023	**24,546**	**0.03**
Issue of Preference shares ₹ 10 each; Partly paid-up @ ₹ 1 each	-	-
As at March 31, 2024	**24,546**	**0.03**

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Series A Preference Shares				
Stride Ventures Debt Fund II	8,182	100.00%	8,182	100.00%
Series B Preference Shares				
Alteria Capital Fund II Scheme 1	16,364	100.00%	16,364	100.00%
Total	**24,546**		**24,546**	

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(ii) Lease liabilities (refer note 27)

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease liabilities	2,691.34	1,417.35	729.80	588.58
Total	**2,691.34**	**1,417.35**	**729.80**	**588.58**

(iii) Trade and other payables

		As at March 31, 2024	As at March 31, 2023
(I)	Total outstanding dues of micro enterprises and small enterprises	729.58	887.50
(II)	Total outstanding dues of other than micro enterprises or small enterprises	4,656.01	2,650.36
Total		**5,385.59**	**3,537.86**

(I) Details relating to Micro, Small and Medium Enterprises (MSME)

		As at March 31, 2024	As at March 31, 2023
(a)	the principal amount remaining unpaid to any supplier	729.58	887.50
(b)	Interest due thereon remaining unpaid to any supplier	25.78	25.78
(c)	the amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(e)	the amount of interest accrued and remaining unpaid	-	-
(f)	the amount of interest remaining due and payable even in the succeeding years, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

Trade payables are unsecured, non-interest bearing, repayable on demand or as per the credit terms agreed with the vendors ranging from 7 to 45 days and are to be settled in cash and cash equivalent.

Trade payables ageing schedule for the years ended as at:

March 31, 2024	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	>3 years	
Total outstanding dues of micro enterprises and small enterprises	209.43	517.45	1.87	0.83	-	729.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,750.80	2,891.46	8.83	4.92	-	4,656.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Trade and other payables	**1,960.23**	**3,408.91**	**10.70**	**5.75**	**-**	**5,385.59**

March 31, 2023	Current but not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	>3 years	
Total outstanding dues of micro enterprises and small enterprises	59.04	827.63	0.83	-	-	887.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	939.30	1,706.14	4.92	-	-	2,650.36
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Trade and other payables	**998.34**	**2,533.77**	**5.75**	**-**	**-**	**3,537.86**

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(iv) Other financial liabilities

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortized cost:				
Payables to creditors for capital goods	-	-	-	116.03
Payable to employees	11.00	-	207.93	149.29
Payable to related parties (refer note 28)	-	-	1,178.92	435.11
Franchisee deposits	82.50	60.00	-	-
Other financial liabilities*	-	-	25.78	510.61
Financial liabilities at fair value through profit and loss:				
Mark to market derivative financial instruments	79.82	-	-	-
Total	**173.32**	**60.00**	**1,412.63**	**1,211.04**

* Other financial liabilities include 'payable to customers' amounting to ₹ 30.23 (March 31, 2023 ₹ 8.97) which has been netted off against 'cash collected on behalf of customers' in Cash in hand.

(v) Changes in liabilities arising from financing activities:

Particulars	April 01, 2023	Cash flows	Changes in fair values	Additions/ deletions	Accretion of Interest	March 31, 2024
Borrowings (refer note 14(i))	1,209.28	(877.95)	-	1,154.24	150.75	1,636.32
Lease Liabilities (refer note 14(ii))	2,005.93	(853.89)	-	1,902.38	366.71	3,421.13
Total liabilities from financing activities	**3,215.21**	**(1,731.84)**	**-**	**3,056.62**	**517.46**	**5,057.45**

Particulars	April 01, 2022	Cash flows	Changes in fair values	Additions/ (deletions)	Accretion of Interest	March 31, 2023
Borrowings (refer note 14(i))	-	(416.11)	-	1,471.37	154.02	1,209.28
Lease Liabilities (refer note 14(ii))	1,501.18	(501.05)	-	764.18	241.62	2,005.93
Total liabilities from financing activities	**1,501.18**	**(917.16)**	**-**	**2,235.55**	**395.64**	**3,215.21**

15. Provisions

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Provision for Gratuity (refer note 33)	125.11	37.98	0.13	0.07
Provision for compensated absences	-	-	164.37	71.02
Total	**125.11**	**37.98**	**164.50**	**71.09**

16. Other liabilities

	Current	
	As at March 31, 2024	As at March 31, 2023
Statutory and other liabilities	185.05	135.28
Other Payables	31.43	44.60
Total	**216.48**	**179.88**

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17. Revenue from Operations

Revenue from Contracts with customers	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of traded goods	36,519.57	18,043.52
Income from services*	4,821.75	2,213.44
Total	**41,341.32**	**20,256.96**

*includes revenue from advertisement, delivery and other ancillary services.

(i) Timing of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Control transferred at a point in time	40,847.49	19,479.98
Control transferred over time	493.83	776.98
Total	**41,341.32**	**20,256.96**

(ii) Geographical Location of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	41,341.32	20,256.96
Outside India	-	-
Total	**41,341.32**	**20,256.96**

(iii) Contract balances (refer note 9(ii)) :	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade receivables	2,860.45	705.47
Contract Assets - unbilled receivables	179.11	2.70
Total	**3,039.56**	**708.17**

(iv) A reconciliation between the contract price and revenue from contracts with customers is not disclosed, as the contract price corresponds directly to the revenue from operations.

18. Other Income

	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Interest income on:		
Fixed deposit	255.54	496.64
Inter-Company loan	1.80	0.07
Security deposit	19.72	13.18
Income tax refund	5.53	0.29
(ii) Other non operating income:		
Gain on sale of mutual fund	126.10	3.21
Gain on termination of lease contracts (net)	24.52	5.66
Miscellaneous income	8.61	0.07
Total	**441.82**	**519.12**

19. Purchases

	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	31,395.52	19,530.26
Total	**31,395.52**	**19,530.26**

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20. Changes in inventories of traded goods

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance		
Stock-in-trade (including packaging material)	1,577.33	681.03
Total (A)	**1,577.33**	**681.03**
Closing Balance		
Stock-in-trade (including packaging material)	1,228.70	1,577.33
Total (B)	**1,228.70**	**1,577.33**
Decrease/(Increase) in inventory		
Stock-in-trade (including packaging material)	348.63	(896.30)
Total (A-B)	**348.63**	**(896.30)**

21. Delivery and handling expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Delivery and handling expense*	5,803.01	3,668.99
Total	**5,803.01**	**3,668.99**

*This encompasses all costs associated with the end-to-end supply chain operations undertaken by the Company to provide order fulfilment.

22. Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	3,220.19	2,094.63
Contribution to provident and other funds	73.78	41.65
Gratuity expense (refer note 33)	47.96	37.20
Share based payment to employees (refer note 34)	737.55	309.97
Staff welfare expenses	166.84	144.70
Total	**4,246.32**	**2,628.15**

23. Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on Borrowings carried at amortised cost	178.45	172.66
Interest expense on lease liabilities (refer note 27)	366.71	241.62
Bank charges	23.28	16.33
Total	**568.44**	**430.61**

24. Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4)	487.22	249.08
Amortisation of Intangible assets (refer note 6)	11.90	0.56
Amortisation of Right-of-Use (RoU) assets (refer note 7)	710.68	426.24
Total	**1,209.80**	**675.88**

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25. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Warehousing expenses	4,769.13	3,447.86
Advertisement expenses	3,035.49	2,158.21
Rent and maintenance	139.37	94.37
Software expenses	1,146.30	687.24
Rates and taxes	174.62	341.54
Electricity and water charges	337.85	192.44
Repairs and maintenance - others	68.65	38.39
Legal and professional fees	333.58	239.26
Provision for Doubtful Advances	26.44	73.82
Store and Franchisee Expenses	417.54	60.93
Travelling and conveyance expenses	56.80	13.39
Insurance charges	12.61	29.99
Assets Write-off	-	28.75
IT and Internet expenses	18.57	14.28
Office expenses	20.61	21.04
Membership and subscription	1.96	2.42
Payment to auditor*	5.80	2.24
Loss on sale of property, plant and equipment and right-of-use assets	0.18	0.21
Fair value loss on financial instruments at fair value through profit or loss	79.82	-
Unrealized foreign exchange loss	0.79	0.05
Miscellaneous expenses	11.19	10.42
Total	**10,657.30**	**7,456.85**

*Auditor remuneration includes:-	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit fees	5.80	1.50
Tax audit fees	-	0.30
Transfer pricing fees	-	0.20
Certification charges	-	0.24
Total	**5.80**	**2.24**

26. Earnings per share (EPS)

Basic earnings per share:

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share:

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The following table reflects the income and share data used in the basic and diluted EPS computations:

Particular	March 31, 2024	March 31, 2023
(Loss) during the year attributable to owners of the Company (In million)	(12,445.88)	(12,718.36)
Weighted average number of ordinary shares outstanding for calculation of EPS	8,815,065.49	7,506,341.39
Basic and diluted loss per share (₹ per share)	(1,411.89)	(1,694.35)

i) Dilution has been computed based on information of conversion available with the Parent company

ii) Since the conversion of OCRPS and ESOPs to equity shares would decrease loss per share, these potential equity shares are considered anti-dilutive and the effect of anti-dilutive potential equity shares are ignored.

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27. Lease liabilities

The Company has lease contracts for various properties used in its operations. Leases of properties generally have lease terms between 1.5 and 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio to align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The changes in the carrying values of lease liabilities are as follows:

	March 31, 2024	March 31, 2023
At the beginning of the Financial Year	2,005.93	1,501.18
Additions	2,137.09	922.78
Reduction in liability	(234.70)	(158.60)
Accretion of interest	366.71	241.62
Payments	(853.89)	(501.05)
Carrying value as at end of the Financial Year	**3,421.14**	**2,005.93**

The maturity analysis of lease liabilities are disclosed in Note 31(b).

The following are the amounts recognized in profit or loss:

	March 31, 2024	March 31, 2023
Interest expense on lease liabilities	366.71	241.62
Expenses relating to short-term leases	139.37	94.37
Amortization of right-of-use assets	710.68	426.24
Total Expenses	**1,216.76**	**762.23**

The effective interest rate for lease liabilities as at March 31, 2024 is 13.75% (March 31, 2023: 13.75%).

28. Related party disclosures

Names of related parties and related party relationship

(a). Related parties where control exists and with whom transactions have taken place during the years reported in these financial statements

Relationship	:	Name of entity
Holding Company	:	Kiranakart Pte. Limited, Singapore
Wholly owned Subsidiary Company	:	Kiranakart Wholesale Private Limited
Key managerial personnel	:	Mr. Kaivalya Vohra, Director
		Mr. Nikhil Kumar Mittal, Director
		Mr. Aadit Palicha, Director of Holding Company
		Mr. Vinay Dhanani, Director of subsidiary Company
		Ms. Megha Hegde, Company Secretary (w.e.f; August 02, 2024)
Relatives of Key managerial personnel (KMP)	:	Mr. Jaideep Vohra (Relative of Director)
		Modulus Hospitality Services LLP (Entity where relative of Director is having control)

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(b) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Relationship	Nature of transactions	March 31, 2024	March 31, 2023
i) Transactions			
Holding Company	Issue of equity shares (including securities premium)	12,494.99	15,895.00
	Guarantee Commission	6.25	17.50
	Reimbursements (Net)	-	27.70
	Share based payment cross charge	737.55	309.97
Wholly Owned Subsidiary	Investment in subsidiary	-	1.00
	Loan given	437.23	4.60
	Loan repaid	(443.45)	-
	Interest received	1.80	0.07
	Sale of traded goods	13.31	-
	Income from services	6.19	-
Key managerial personnel			
Mr. Kaivalya Vohra	Remuneration #	15.00	15.00
Mr. Aadit Palicha	Remuneration #	15.00	15.00
Mr. Nikhil Kumar Mittal	Remuneration *#	19.28	22.47
Mr. Vinay Dhanani	Remuneration *#	25.84	-
Others			
Modulus Hospitality Services LLP	Services received	2.78	6.07
Mr. Jaideep Vohra (Relative of Director)	Services received	0.27	0.12

ii) Balances as at the year end

Name of the party	Nature of balances	March 31, 2024	March 31, 2023
Holding Company	Payables	1,178.92	435.11
Wholly Owned Subsidiary	Receivables	20.37	4.66
Mr. Jaideep Vohra	Payables	-	0.12
Mr. Kaivalya Vohra	Payables	19.46	14.62
Mr. Aadit Palicha	Payables	15.26	9.84

*The remuneration to the key managerial personnel does not includes values of ESOPs issued by the Holding Company.

#The provisions made for gratuity and leave benefits are not included, as they are determined on an actuarial basis for the Company as a whole.

29. Commitments and contingencies

	March 31, 2024	March 31, 2023
(i) Capital Commitments		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	146.55	26.16
(ii) Contingent Liabilities		
Pending Litigations*	27.10	92.93

*The Company has reviewed all its pending litigation and proceedings and it does not expect the outcome of the proceedings to have a material effect on it's financial statements. Accordingly the same has been disclosed as contingent liability.

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30. Capital management

The Company's objectives when managing capital are to:

i. Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders, and

ii. Maintain an optimal capital structure to reduce the cost of capital.

Funding requirements are met through equity, debt and operating cash flows generated. Financial liability pertaining to preference shares are considered as other liabilities for the purpose of capital management and not as debt. Accordingly, the Company monitors capital on the basis of the following gearing ratio.

Adjusted net debt (total borrowings net of cash and cash equivalents, bank deposits and financial liability portion of preference shares divided by 'Total equity' (as shown in the balance sheet) added by financial liability portion of preference shares.

	March 31, 2024	March 31, 2023
Borrowings (refer note 14(i))	1,636.32	1,209.28
Lease liabilities (refer note 14(ii))	3,421.14	2,005.93
Trade payables (refer note 14(iii))	5,385.59	3,537.86
Provisions (refer note 15)	289.61	109.07
Other liabilities (refer note 14(iv) & 16)	1,802.43	1,450.92
Less: cash and cash equivalent (refer note 9(iii))	(3,977.75)	(177.22)
Less: bank deposits other than above (refer note 9(iv) & (vi))	(3,115.23)	(6,290.04)
Adjusted net debt (A)	**5,442.11**	**1,845.80**
Equity attributable to the equity holders of the Company	6,476.69	6,467.40
Total equity (B)	**6,476.69**	**6,467.40**
Total (A+B)	**11,918.80**	**8,313.20**
Gearing ratio (A/A+B)	**45.66%**	**22.20%**

31. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations . The key financial risks include credit risk, liquidity risk, interest risk and foreign currency risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks, except as disclosed in Note 31 (d) foreign currency risk section.

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored by the management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class.

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ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility.

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available. Moreover the Holding Company has undertaken to provide financial and other support as necessary to enable the Company and its subsidiary to continue meeting its liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	March 31, 2024			
	One year or less	One to five years	Over five years	Total
Financial liabilities				
Borrowings	1,069.00	567.32	-	1,636.32
Trade and other payables	5,369.13	16.46	-	5,385.59
Lease liabilities	1,119.87	3,081.12	66.47	4,267.46
Others	1,412.63	173.32	-	1,585.95
Total undiscounted financial liabilities	**8,970.63**	**3,838.22**	**66.47**	**12,875.32**

	March 31, 2023			
	One year or less	One to five years	Over five years	Total
Financial liabilities				
Borrowings	740.00	469.28	-	1,209.28
Trade and other payables	3,532.11	5.75	-	3,537.86
Lease liabilities	650.95	2,016.24	70.49	2,737.68
Others	1,211.04	60.00	-	1,271.04
Total undiscounted financial liabilities	**6,134.10**	**2,551.27**	**70.49**	**8,755.86**

Refer note 29 for details of Company's contingent liabilities and commitments.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from investments in fixed deposits. The Company does not have any significant interest rate risk as all interest bearing assets and liabilities have fixed interest rates.

(d) Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company's primary transactional currency is Indian rupee and the foreign currency transactions are restricted to certain payables.

As at March 31, 2024 and March 31, 2023, 5% increase /decrease in the exchange rate of Indian rupee would result in approximately ₹ 9.20 and ₹ 23.63 increase in the gain/loss before tax of the Company respectively.

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(e) Equity price risk

The Company is mainly exposed to the price risk due to its investment in equity based mutual funds. At March 31, 2024, the investments in mutual fund (at market value) amounts to ₹ Nil (March 31, 2023 : ₹ 748.26).

The Company does make deposit with the banks as margin money against the borrowing facility provided by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

Sensitivity analysis to price risk

A 5% movement in prices would have led to the following pre-tax impact in the statement of profit and loss.

Financial Instrument	Increase / (Decrease) in Profit			
	As at March 31, 2024		As at March 31, 2023	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Investment in Mutual Funds	-	-	37.41	(37.41)
Total	**-**	**-**	**37.41**	**(37.41)**

32. Financial Instruments - category and fair value hierarchy

(a) Financial instruments by category

The carrying value of financial instruments by categories as at year end is as follows:

	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	-	748.26
Total (A)	**-**	**748.26**
Measured at amortised cost		
Trade receivables	3,039.56	708.17
Cash and cash equivalents	3,977.75	177.22
Bank balances other than cash and cash equivalents	2,890.00	6,130.00
Other financial assets	695.16	508.65
Total (B)	**10,602.47**	**7,524.04**
Total (A+B)	**10,602.47**	**8,272.30**
Financial liabilities		
Designated at fair value through profit and loss		
Optionally convertible redeemable preference shares (refer note 14(i))	79.85	0.02
Total (A)	**79.85**	**0.02**
Measured at amortised cost		
Non convertible redeemable debentures	971.95	1,209.25
Borrowings	664.34	-
Trade payables	5,385.59	3,537.86
Other financial liabilities	1,506.10	1,271.02
Total (B)	**8,527.98**	**6,018.13**
Total (A+B)	**8,607.83**	**6,018.15**

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(b) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Below are the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There are no transfers between any of the fair value during the year under consideration.

(i) The following table provides the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at year end:

	As at March 31, 2024	As at March 31, 2023
Financial assets		
Level 1	-	748.26
Investments in mutual funds	**-**	**748.26**
Financial liabilities		
Level 2	79.85	0.02
Financial liabilities of preference shares (refer note 14 (i) & (iv))	**79.85**	**0.02**

The mutual funds are fair valued using the closing NAV.

The preference shares with redemption and conversion are fair valued from an independent valuer.

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

(a) The carrying value of trade receivables, unbilled receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, security deposits, other financial assets, trade payables, current borrowings and other financial liabilities measured at amortised cost approximate their fair value, due to their short term nature.

(b) The fair values of deposits with banks approximate their carrying value given the highly liquid / liquid nature of the financial assets.

33. Employee Benefit Obligation

The Company operates a defined benefit gratuity plan for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet:

	As at March 31, 2024	As at March 31, 2023
Statement of Profit and Loss		
Current service cost	45.19	36.88
Net interest on net defined benefit liability	2.77	0.32
Net benefit expense	**47.96**	**37.20**
Re-measurement loss/(gains) in Other Comprehensive Income		
Changes in financial assumptions	0.68	(4.87)
Changes in demographic assumptions	39.42	-
Experience adjustments	(0.28)	0.55
Net re-measurement loss/(gain) on net defined benefit liability	**39.82**	**(4.32)**

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Kiranakart Technologies Private Limited

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	As at March 31, 2024	As at March 31, 2023
Balance sheet		
Present value of defined benefits obligation (Non Current)	125.11	37.98
Present value of defined benefits obligation (Current)	0.13	0.07
Plan liability	**125.24**	**38.05**
Change in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	38.05	5.17
Current service cost	45.19	36.88
Net interest on net defined benefit liability	2.77	0.32
Impact of liability assumed or (settled)	(0.59)	-
Amount recognised in other comprehensive income	39.82	(4.32)
Defined benefit obligation as at the end of the year	**125.24**	**38.05**

The principal assumptions used in determining gratuity and leave benefit obligations for the Company's plan are as follows:

	March 31, 2024	March 31, 2023
Discount rate*	7.25%	7.30%
Salary escalation rate	15.00%	15.00%
Mortality rate**	Indian Assured Lives Mortality (100% of IALM 2012-14)	Indian Assured Lives Mortality (100% of IALM 2012-14)
Withdrawal rate	21 to 30 years - 13% 31 - 44 years - 12% 45-59 years - 14%	Up to 30 years - 25% 31 - 44 years - 20% Above 44 years - 10%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations. The government security yields for the relevant tenure of the obligations have been derived from the rates published by Financial Benchmarks India Pvt. Ltd. (FBIL).

**As published by IRDA and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective April 1, 2013.

	March 31, 2024	March 31, 2023
Sensitivity analysis of assumptions used		
Discount rate	7.25%	7.30%
Effect on defined benefits obligation due to 0.5% increase in discount rate	(6.58)	(3.48)
Effect on defined benefits obligation due to 0.5% decrease in discount rate	7.11	3.98
Salary escalation rate	15.00%	15.00%
Effect on defined benefits obligation due to 0.5% increase in salary escalation rate	4.71	2.96
Effect on defined benefits obligation due to 0.5% decrease in salary escalation rate	(4.62)	(2.82)

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

Method used for sensitivity analysis: The sensitivity analysis above determine their individual impact on the plan's end of year defined benefit obligation. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time. It is based on a change in a significant assumption, keeping all other assumptions constant. It may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

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

(a) **Interest risk:** A decrease in the discount rate will increase the plan liability.

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

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

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(All amounts are in ₹ Million, unless otherwise stated)

Expected benefit payments pertaining to defined benefit obligations	March 31, 2024	March 31, 2023
Within 1 year	0.13	0.07
2-5 years	32.75	11.86
Between 6 and 10 years	41.87	25.53
Beyond 10 years	234.32	51.85

The weighted average duration of the defined benefit obligation is 10.92 years and 11 years for the current year and previous year respectively.

34. Employee share option plans

The Company has granted stock options under the Employee stock option plan of Kiranakart Pte. Limited, Singapore, Holding Company to the eligible employees of the Company. These options would vest generally over 4 years from the date of grant based on the vesting conditions as per letter of grant executed between the Holding Company and the employee of the Company. The fair value is being amortized over the vesting period on a graded vesting basis.

The total expense of share based payments for the year ended March 31, 2024 is ₹ 737.55 (March 31, 2023: ₹ 309.97) and the same has been disclosed under employee benefits expense in the Statement of Profit and Loss.

Movement of share options during the financial year

The following table illustrates the movement of the options during the financial year:

	March 31, 2024 (Number)	March 31, 2023 (Number)
Outstanding as at the beginning of the year	1,47,081	1,15,149
- Granted	1,09,324	37,713
- Forfeited	(22,033)	(5,781)
Outstanding as at the end of the year	**2,34,372**	**1,47,081**
Vested as at the year end	**85,847**	**44,043**
Options exercisable as at the year end	**-**	**-**

Fair value of share options granted

The fair value of share options granted by the Company that are classified as time-based options is estimated at the grant date using arm's length price of the share options as reduced by DLOM (Discount due to Lack of Marketability) computed using black scholes model, taking into account the terms and conditions upon which the share options were granted. The inputs used to measure fair values of options granted on the grant date were as follows:

	As at March 31, 2024	As at March 31, 2023
Dividend yield (% p.a.)	0%	0%
Expected volatility (% p.a.)*	50.00%	50.00%
Risk-free interest rate (% p.a.)	2.87% - 3.75%	0.52% - 2.27%
Expected time to exercises shares	Immediately on vesting at yearly rest	Immediately on vesting at yearly rest
Weighted average remaining contractual life of options outstanding at end of year	10 Years	8.59 Years

The Company settles the share based payments liability cross charged by the Holding Company on a periodical basis. The statement of profit and loss expense or credit for a year represents the movement in cumulative expense recognised as at the beginning and end or that period and is recognised in employee benefits expense. The corresponding credit or debit is recorded as equity contribution which is then transfered to payable to Holding Company and in line with the guidance for group share based payments. That cost is recognised, together with a corresponding increase in liabilities, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense.

*Expected volatility is based on historical volatility of share prices of comparable companies for the expected life of options.

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35. Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortized cost				
Trade receivables	3,039.56	3,039.56	708.17	708.17
Cash and cash equivalents	3,977.75	3,977.75	177.22	177.22
Bank balances other than cash and cash equivalents	2,890.00	2,890.00	6,130.00	6,130.00
Other financial assets	695.16	695.16	508.65	508.65
Total	**10,602.47**	**10,602.47**	**7,524.04**	**7,524.04**
Financial assets measured at fair value through profit and loss				
Investments in mutual funds	-	-	748.26	748.26
Total	**-**	**-**	**748.26**	**748.26**
Financial liabilities measured at amortized cost				
Lease liabilities	3,421.14	3,421.14	2,005.93	2,005.93
Borrowings	1,636.32	1,636.32	1,209.28	1,209.28
Trade payables	5,385.59	5,385.59	3,537.86	3,537.86
Other financial liabilities	1,506.13	1,506.13	1,271.04	1,271.04
Total	**11,949.18**	**11,949.18**	**8,024.11**	**8,024.11**
Financial liabilities measured at fair value through profit and loss				
Other financial liabilities	79.82	79.82	-	-
Total	**79.82**	**79.82**	**-**	**-**

The management assessed that the fair value of above mentioned financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Fair value of the Company's non-current financial assets/liabilities carried at amortized cost are determined using a DCF method using discount rate that reflects the Company's incremental borrowing rate as at the end of respective reporting period.

For method and assumptions used to estimate the fair values of financial liabilities carried at fair value through profit and loss, refer note 32(b).

36. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

37. Disclosure pursuant to Ind AS 12: Income Taxes

		March 31, 2024	March 31, 2023
(a)	**Reconciliation of accounting profit/(loss) and tax expense:**		
	Accounting profit/(loss) before income tax	(12,445.88)	(12,718.36)
	Tax at India's statutory income tax rate of 25.17% March 31, 2023 : 25.17%)	(3,132.38)	(3,200.96)
	Other non deductible items	-	-
	Other temporary differences, business losses and unabsorbed depreciation on which deferred tax is not recognised	3,132.38	3,200.96
	Income tax expense reported in Statement of Profit and Loss	-	-

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(b) Items on which no deferred tax asset is recognized in the Balance Sheet:

As at the year ended on March 31, 2024 and March 31, 2023, the Company is having deductible temporary differences, brought forward losses and unabsorbed depreciation under the tax laws. However, in the absence of reasonable certainty of realization, DTA have not been created.

(c) The Company has incurred net loss before tax of ₹ 12,445.88 (March 31, 2023 : ₹ 12,718.36) during the year and has accumulated losses of ₹ 29,081.24 (March 31, 2023: ₹ 16,635.36) as at year-end. Considering the loss position and accumulated losses, the Company has not recognised any tax liability in the current and previous years. The Company has not recognised deferred tax asset (net) on carry forward of tax losses, unabsorbed depreciation and other temporary difference as it is not probable that future taxable profit will be available against which these carry forward tax losses and unabsorbed depreciation can be utilised.

38. Ratio analysis and its elements

Ratios	Numerator	Denominator	2024	2023	Variance %	Reason for significant variance
Current Ratio (in times)	Current assets	Current liabilities	1.52	1.80	-15.59%	–NA–
Debt-Equity Ratio (in times)	Total debt	Shareholder's equity	0.78	0.50	57.07%	Primarily due to increase in lease liability during the current year.
Return on Equity Ratio (in %)	Net Profits after taxes	Shareholder's equity	-192.30%	-258.93%	25.73%	Due to increase in shareholder's fund and decrease in loss during the year.
Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	22.63	16.50	37.11%	Due to better inventory management during the current year.
Trade Receivables Turnover Ratio (in times)	Net sales	Average trade receivable	22.06	47.36	-53.42%	Due to better inventory management during the current year.
Trade Payables Turnover Ratio (in times)	Net Purchases	Average trade payables	7.04	7.97	-11.76%	–NA–
Net Capital Turnover Ratio (in times)	Net sales	Working capital [1]	8.82	3.98	121.28%	Due to better working capital management during the current year.
Net Profit Ratio (in %)	Net Profit	Revenue	-30.11%	-62.79%	52.05%	Due to improved margins during the current year as a result of economies of scale.
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed [2]	-103.46%	-127.48%	18.84%	–NA–
Return on Investment (in %)	Interest income	Investments	7.10%	6.97%	1.86%	–NA–

[1] Current assets - Current Liabilities

[2] Total Assets - Current Liability

39. Segment Reporting

For the year ended March 31, 2024 and March 31 2023 the Company was managed as a single operating segment Furthermore, the Company has identified that the Board of Director are the Chief Operating Decision Maker (CODM) as they are responsible for making decisions regarding the allocation of resources and assessing performance, as well as for strategic operational decisions and managing the Company.

Following are the disclosures about products and services, geographical areas and major customers:

Products and services:

Revenues from external customers for each group of similar services is disclosed in Note 17.

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Geographical Information:

The Company derives its revenue from sale of products and rendering of services in India.

All non current assets including property, plant and equipment intangible assets, right-of-use assets, and other non-current assets are located in India only.

Information about major customers:

The Company has 3 customers constituting more than 10% for each customer which amounts to majority of the total revenue of the Company for the year ended March 31, 2024. For the year ended March 31, 2023, the Company has 2 customers constituting more than 10% for each customer which amounts to majority of the total revenue of the Company.

40. Significant events

Subsequent to the year end, the Company has raised funds amounting to ₹ 58,259.31 by issuance of right shares.

41. Additional disclosure required under Sec 186(4) of the Companies Act 2013

Name of party	Purpose	Nature	March 31, 2024	March 31, 2023
Kiranakart Wholesale Private Limited	General Business Purpose	Loan given	-	4.60
Kiranakart Wholesale Private Limited	Investment in equity shares	Investment made	1.00	1.00
Incred Financial Services Limited	For vendor bill financing	Guarantee given	-	200.00

42. Disclosure in relation to funds advanced/received

(i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

43. Audit Trail

The Company has migrated from legacy accounting software to the new accounting software during the year with effect from October 01, 2023. The new accounting software for maintaining its books of account has a feature of recording audit trail (edit log) facility but was not enabled throughout the year for all relevant transactions recorded in the software.

The Company also uses certain other applications (referred to as 'support software') for recording certain expenses which does not have the feature of recording audit trail (edit log) facility in the software.

Along with the legacy accounting software which was in use till September 30, 2023, the Company uses third party operated software for supporting the recording of revenue, inventory, purchase & payroll (hereinafter referred to as 'third party operated software'). Management has obtained the report of the Service Organisation Controls (SOC) auditors engaged by such third party which does not mention whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instance of the audit trail feature being tampered with.

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Kiranakart Technologies Private Limited

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(All amounts are in ₹ Million, unless otherwise stated)

44. Other Statutory Information

a) The Company does not have any transactions with companies struck off.

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

c) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

d) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) There are no proceedings initiated or pending against the Company under Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

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

45. The financial statements of the Company for the year ended March 31, 2023 were audited by predecessor auditor, Ruthala & Co.

46. Previous year figures have been regrouped and reclassed wherever required.

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Kiranakart Technologies Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Kiranakart Technologies Private Limited (hereinafter referred to as the "Holding Company") & its subsidiary (the Holding Company and its subsidiary together referred to as the "Group"), which comprise the consolidated Balance sheet as at March 31, 2024, the consolidated Statement of Profit and Loss, including the statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

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

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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 Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India 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 audit opinion on the consolidated financial statements.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

S.R. Batliboi & Associates LLP, a Limited Liability Partnership with LLP Identity No. AAB-4295
Regd. Office : 22, Camac Street, Block 'B', 3rd Floor, Kolkata-700 016

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

Responsibility of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, cash flows and changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group is responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated 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.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

- 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 Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Holding Company and its subsidiary'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 group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

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

Other Matter

The consolidated financial statements of the Group for the year ended March 31, 2023, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on September 27, 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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 purposes of our audit of the aforesaid consolidated financial statements;

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

b) In our opinion, proper books of account as required by law have been kept by the Holding Company so far as it appears from our examination of those books, except for certain third-party operated software applications the backup of books of account was not kept in servers physically located in India on a daily basis and for the matters stated in paragraph (i)(vi) below on the reporting under Rule 11(g).

c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income and the consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to these consolidated financial statements of the Holding Company incorporated in India, and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report. This report does not include report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls') of the subsidiary company, since in our opinion and according to the information and explanation given to us, the said report on internal financial controls is not applicable to the subsidiary company basis the exemption available to the Company under MCA notification no. G.S.R. 583(E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls with reference to consolidated financial statements;

g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company and its subsidiary for the year ended March 31, 2024;

h) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above on reporting under Section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g),

i) 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements - Refer note 28 to the consolidated financial statements;

   ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary 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 that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Holding Company or its subsidiary.

vi. The Company has migrated to a new accounting software from legacy accounting software during the year. Based on our examination which included test checks, we note that -

- The new accounting software for maintaining its books of account has a feature of recording audit trail (edit log) facility but was not enabled throughout the year for all relevant transactions recorded in the software, as described in note 42 to the financial statements. Accordingly, we are unable to comment upon whether during the year any instance of audit trail feature was being tampered with in respect of the accounting software.
- The Company has used certain support software applications which does not have the feature of recording audit trail (edit log) facility, as described in note 42 to the financial statements, and accordingly, the requirement to report on tampering does not arise.

- Also, with respect to third-party operated software applications including the legacy accounting software, in the absence of Service Organization Controls report on audit trail, as described in note 42 to the financial statements, we are unable to comment on whether the audit trail feature with respect to third-party operated software applications was enabled and operated throughout the year for all relevant transactions recorded in these software applications or whether there were any instances of the audit trail feature being tampered with.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Nilangshu Katriar**
Partner
Membership Number: 058814
UDIN: 24058814BKGSRM8751
Place of Signature: Mumbai
Date: September 19, 2024

Annexure 1 referred to in clause 1 of paragraph on the report on 'Other Legal and Regulatory Requirements' of our report of even date

Re: Kiranakart Technologies Private Limited (the "Holding company")

In terms of the information and explanations sought by us and given by the Holding Company & its subsidiary 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 state that:

(a) There are no qualifications or adverse remarks in Companies (Auditors Report) (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3 (xxi) of the Order is not applicable to the Holding Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Nilangshu Katriar**
Partner
Membership Number: 058814
UDIN: 24058814BKGSRM8751
Place of Signature: Mumbai
Date: September 19, 2024

Annexure 2 To the Independent Auditor's Report Of Even Date

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

We have audited the internal financial controls with reference to consolidated financial statements of Kiranakart Technologies Private Limited (hereinafter referred to as the "Holding Company") as of March 31, 2024, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by 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 these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness have been as at March 31, 2024:

a. The Holding Company did not have appropriate information technology general controls with respect to manage access, manage change and manage operations process which could potentially result in material misstatement in the financial statements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as of March 31, 2024, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Other Matters

The requirement of reporting on the Internal Financial Controls is not applicable for the subsidiary, which is a company incorporated in India, as at March 31, 2024 under the Companies Act and hence we are unable to comment on the internal controls over financial reporting of this subsidiary.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Balance Sheet as at March 31, 2024, and the related Statement of Profit and Loss , including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 consolidated financial statements of the Holding Company and this report does not affect our report dated September 19, 2024, which expressed an unqualified opinion on those financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Nilangshu Katriar**
Partner
Membership Number: 058814
UDIN: 24058814BKGSRM8751
Place of Signature: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Consolidated Balance Sheet

as at March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,457.05	1,064.69
Capital work-in-progress	5	2.45	1.87
Intangible assets	6	53.53	25.85
Right-of-use assets	7	3,169.13	1,881.05
Intangible assets under development	8	-	17.79
Financial assets	9(iv)	489.11	252.94
Non-current tax assets (net)		114.86	114.21
Other non-current assets	10	57.27	7.72
Total non-current assets		**5,343.40**	**3,366.12**
Current assets			
Inventories	11	1,265.47	1,577.33
Financial assets			
Investments	9(i)	-	748.26
Trade receivables	9(ii)	3,236.85	708.17
Cash and cash equivalents	9(iii)	3,982.85	177.34
Bank balances other than cash and cash equivalents	9(v)	2,941.00	6,130.00
Other financial assets	9(iv)	206.54	255.71
Other assets	10	2,348.89	1,811.99
Total current assets		**13,981.60**	**11,408.80**
Total assets		**19,325.00**	**14,774.92**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	95.11	84.28
Other equity	13	6,334.74	6,376.62
Total equity		**6,429.85**	**6,460.90**
Non-current liabilities			
Financial liabilities			
Borrowings	14(i)	567.32	469.28
Lease liabilities	14(ii)	2,691.34	1,417.35
Other financial liabilities	14(iv)	173.32	60.00
Provisions	16	125.77	38.07
Total non-current liabilities		**3,557.75**	**1,984.70**
Current liabilities			
Financial liabilities			
Borrowings	14(i)	1,069.00	740.00
Lease liabilities	14(ii)	729.80	588.58
Trade payables	14(iii)		
(I) Total outstanding dues of micro enterprises and small enterprises		729.58	887.50
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,009.30	2,650.45
Other financial liabilities	14(iv)	1,412.86	1,211.17
Provisions	16	166.00	71.34
Other liabilities	15	220.86	180.28
Total current liabilities		**9,337.40**	**6,329.32**
Total liabilities		**12,895.15**	**8,314.02**
Total equity and liabilities		**19,325.00**	**14,774.92**

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

(All amounts are in ₹ million, except per equity share data and unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from operations	17	44,545.16	20,256.96
Other income	18	440.57	519.05
Total income		**44,985.73**	**20,776.01**
Expenses			
Purchase of traded goods	19	34,498.29	19,530.26
Decrease/(Increase) in inventories of traded goods	20	311.86	(896.30)
Delivery and handling expense	21	5,803.01	3,668.99
Employee benefits expense	22	4,262.59	2,634.47
Finance costs	23	568.60	430.61
Depreciation and amortisation expense	24	1,209.80	675.88
Other expenses	25	10,817.98	7,456.96
Total expenses		**57,472.13**	**33,500.87**
Loss before tax		**(12,486.40)**	**(12,724.86)**
Tax expense/(credit)		-	-
Loss for the year		**(12,486.40)**	**(12,724.86)**
Other comprehensive income (OCI)			
Items not to be reclassified to profit or loss in subsequent years:			
Re-measurement (loss)/gain on defined benefit plans		(39.64)	4.32
Other comprehensive loss for the year		**(39.64)**	**4.32**
Total comprehensive loss for the year		**(12,526.04)**	**(12,720.54)**
Earnings / (Loss) per equity share of face value ₹ 10 each			
Basic and Diluted	26	(1,416.49)	(1,695.21)

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

(All amounts are in ₹ million, except per equity share data and unless otherwise stated)

Equity share capital (refer note 12)

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
As at April 01, 2022	**2,648,314**	**26.48**
Issue of equity shares ₹ 10 each	5,780,000	57.80
As at March 31, 2023	**8,428,314**	**84.28**
Issue of equity shares ₹ 10 each	1,083,102	10.83
As at March 31, 2024	**9,511,416**	**95.11**

Other equity (refer note 13)

Particulars	Deemed capital contribution by Holding Company	Reserves and surplus		Other comprehensive income	Total
		Retained earnings	Securities premium		
Balance as at April 1, 2022	**70.05**	**(3,917.00)**	**7,176.96**	**-**	**3,330.01**
Loss for the year	-	(12,724.86)	-	-	(12,724.86)
Re-measurement gain on defined benefit plans	-	-	-	4.32	4.32
Issue of equity shares	-	-	15,837.20	-	15,837.20
Share based payment to employees (refer note 22)	309.97	-	-	-	309.97
Transferred to Payable to Holding Company (refer note 14(iv))	(380.02)	-	-	-	(380.02)
Balance as at March 31, 2023	**-**	**(16,641.86)**	**23,014.16**	**4.32**	**6,376.62**
Loss for the year	-	(12,486.40)	-	-	(12,486.40)
Re-measurement (loss) on defined benefit plans	-	-	-	(39.64)	(39.64)
Issue of equity shares	-	-	12,484.16	-	12,484.16
Share based payment to employees (refer note 22)	737.55	-	-	-	737.55
Transferred to Payable to Holding Company (refer note 14(iv))	(737.55)	-	-	-	(737.55)
Balance as at March 31, 2024	**-**	**(29,128.26)**	**35,498.32**	**(35.32)**	**6,334.74**

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

		For the year ended March 31, 2024	For the year ended March 31, 2023
A.	**Cash flows from operating activities**		
	(Loss) before tax as per statement of profit and loss	**(12,486.40)**	**(12,724.86)**
	Non-cash adjustments to reconcile loss to net cash used in operating activities		
	Depreciation and amortisation expense	1,209.80	675.88
	Interest income on fixed deposit	(256.09)	(496.64)
	Interest income on income tax refund	(5.53)	(0.29)
	Interest on security deposit	(19.72)	(13.18)
	Net foreign exchange differences (unrealised)	0.79	0.05
	Bank charges	23.44	16.33
	Miscellaneous income	(8.61)	(0.07)
	Provision for gratuity expense	48.12	37.20
	Provision for compensated expense	117.96	59.88
	Fair value loss on financial instruments	79.82	-
	Provision for Doubtful Advances	26.44	73.82
	Gain on sale of mutual funds	(126.10)	(3.21)
	Gain on termination of lease contracts	(24.52)	(5.66)
	Interest on borrowings	178.45	172.66
	Interest on lease liabilities (refer note 29)	366.71	241.62
	Share-based payment expense	737.55	309.97
	Loss on disposals of property, plant and equipment	0.18	28.96
	Operating loss before working capital changes	**(10,137.71)**	**(11,627.54)**
	Working capital adjustments:		
	(Decrease) in provisions	(23.97)	(6.73)
	Increase in trade payables	2,200.15	1,797.42
	Increase in other financial liabilities	33.55	60.13
	(Decrease) / Increase in other financial current liabilities	(535.96)	1,128.83
	Increase in other current liabilities	40.75	118.89
	Decrease / (Increase) in other financial current assets	21.12	(682.63)
	(Increase) / Decrease in other financial Non-current assets	(137.49)	114.56
	(Increase) in other current assets	(563.28)	(160.40)
	(Increase) in trade receivables	(2,528.68)	(560.87)
	Decrease / (Increase) in inventories	311.86	(896.30)
	Cash (used in) operating activities before taxes	**(11,319.66)**	**(10,714.64)**
	Direct taxes refund / (paid)	4.87	(108.38)
	Net cash (used in) operating activities (A)	**(11,314.79)**	**(10,823.02)**
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipment (including capital work-in-progress, intangible assets and RoU assets)	(1,024.87)	(625.32)
	Proceeds from disposal of property, plant and equipment and intangible assets	1.98	0.75
	Interest received	278.75	413.44
	Proceeds / (Investments) in bank deposits (net)	3,100.39	(6,306.38)
	Purchase of Investments in Mutual funds	(31,510.79)	(1,794.81)
	Proceeds from disposal of investments in mutual funds	32,385.15	1,050.00
	Net cash generated / (used in) investing activities (B)	**3,230.61**	**(7,262.32)**

S.R. BATLIBOI & ASSOCIATES LLP * MUMBAI * CHARTERED ACCOUNTANTS

Kiranakart Technologies Private Limited

Kiranakart Technologies Private Limited
(CIN :U46909MH2020PTC351339)

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash flows from financing activities		
Proceeds from issue of equity share capital	12,494.99	15,895.00
Proceeds from issue of preference share capital	-	0.02
Proceeds from issue of debts (net of repayments)	427.04	1,209.28
Interest paid on debentures	(178.45)	(172.66)
Principal Payment of lease obligations	(487.18)	(259.43)
Payment of lease obligations	(366.71)	(241.62)
Net cash generated from financing activities (C)	**11,889.69**	**16,430.59**
Net (Decrease) / Increase in cash and cash equivalents (A+B+C)	**3,805.51**	**(1,654.75)**
Cash and cash equivalent at the beginning of the year	177.34	1,832.09
Cash and cash equivalent at the end of the year (refer note 9(iii))	**3,982.85**	**177.34**

Note:

1. Non cash transactions relating to investing and financing activities. (Refer note 14(v))
2. The statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standards (Ind AS) 7 Statement of Cash flows.

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

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

1. Corporate information

Kiranakart Technologies Private Limited, incorporated on December 05, 2020, operates as a private limited company under the Companies Act, 2013, (hereinafter referred to as "the Company"). The Holding Company is Kiranakart Pte Limited, Singapore.

The Company is engaged in:

a) licensing of intellectual property viz., brand 'Zepto' and several digital assets which have been designed, developed and owned by the Company including mobile application under the name and style of "Zepto" and website "www.zeptonow.com" (website and mobile application together known as "Platform") and technology support thereof to the Platform Licensees;

b) trading of consumer goods on a business- to- business ("B2B") basis;

c) logistic services such as storing, sorting, picking, packing, handling and delivery of consumer goods to the end consumers on behalf of third parties and other business support services;

d) revenue from advertisements displayed on the Platform.

The subsidiary company is engaged in wholesale distribution of all types of consumer products.
The Holding Company and subsidiary Company hereinafter is referred to as the Group.
These Consolidated Financial statements were authorised for issue in accordance with a resolution by the Company's Board of Directors on September 19, 2024.

2. Material Accounting Policies

a. Basis of consolidation

(i) Subsidiary

The consolidated financial statements comprises the financial statements of the Company and it's subsidiary.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

(i) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),

(ii) Exposure, or rights, to variable returns from its involvement with the investee, and

(iii) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the years are included in the consolidated financial statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31, 2023 and March 31, 2022.

(ii) Consolidation Procedure

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS

Kiranakart Technologies Private Limited

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(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of the subsidiary.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group, profits or losses resulting from intragroup transactions that are recognised in assets (if any), such as inventory, are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12, Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

(i) Derecognises the assets (including goodwill) and liabilities of the subsidiary;

(ii) Derecognises the carrying amount of any non controlling interests;

(iii) Derecognises the cumulative translation differences recorded in equity;

(iv) Recognises the fair value of the consideration received;

(v) Recognises the fair value of any investment retained;

(vi) Recognises any surplus or deficit in profit and loss;

(vii) Reclassifies the parent's share of components previously recognised in OCI to profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

b. Basis of preparation and measurement

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest million (₹ 000,000), except when otherwise indicated. The Group has incurred a loss amounting to ₹ 12,486.40 (March 31,2023: ₹ 12,724.86), for the year ending March 31, 2024 and has accumulated losses of ₹ 29,128.26 as at March 31, 2024 (March 31, 2023 : ₹ 16,641.86), respectively.

The Holding Company has undertaken to provide financial and other support as necessary to enable the Company and its subsidiary to continue meeting its liabilities. Basis the support letter from the Holding Company, the Company is confident of meeting its liabilities (including that of subsidiary) existing at the date of Balance Sheet as and when they fall due within a period of twelve months from the balance sheet date. Accordingly, the financial statements of the Company and its subsidiary have been prepared on a going concern basis.

i. Statement of compliance:

The Consolidated financial statements of the Group 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) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

ii. Historical cost convention:

The Consolidated financial statements have been prepared on a historical cost basis and on the accrual basis, except for the following assets and liabilities which have been measured at fair value.

(i) Certain financial assets and liabilities measured at Fair value (refer accounting policy regarding financial instruments),

(ii) Share based payments.

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iii. New amended standards adopted by Group:

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Group applied for the first-time these amendments:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are prilimariliy in the nature of classifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to signigicantly affect the current or future periods.

c. Current versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

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

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

d. Foreign Currencies

Functional and Presentation Currency

The Group has determined the currency of the primary economic environment in which the entity resides in and operates as the functional currency. The functional currency of the Group is Indian Rupees (₹). The Consolidated Financial Statements have been presented in Indian Rupees (₹), as it best represents the operating business performance and underlying transactions.

Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Group and are recorded on initial recognition in the functional currency at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period.

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Differences arising on settlement or translation of monetary items are recognised in the Consolidated Statement of Profit and Loss.

Non-monetary items that are measured in historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively).

e. Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

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

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

(i) **Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

(ii) **Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

(iii) **Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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.

Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (f) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) 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.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Group's financial assets at amortised cost includes trade receivables, and loan to an associate and loan to a director included under other non-current financial assets.

Financial assets at fair value through OCI (FVTOCI) (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in quoted debt instruments included under other non-current financial assets.

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Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes derivative instruments and listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised in the statement of profit and loss when the right of payment has been established.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

(i) The rights to receive cash flows from the asset have expired, or

(ii) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

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. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Group has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115."

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Optionally Convertible Redeemable Preference Shares (OCRPS)

The Group has treated OCRPS as a derivative instrument of default redemption event value of which is linked to the instrument other than the host contract. Group has elected the option to fair value the entire instrument containing a derivative as financial liability and not to carry out split accounting for the same. Initial and subsequent measurement of the said instrument has been done at fair value through profit and loss account.

Offsetting of Financial Instruments

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

g. Impairment of non-financial assets

The carrying amounts of assets are reviewed at each balance sheet date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised, i.e. wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net fair value and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or Cash Generating Unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared for the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year. Impairment losses are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h. Property, Plant and Equipment (PPE)

Recognition and Measurement

All items of property, plant and equipment are initially measured at cost and subsequently it is measured at cost less accumulated depreciation and impairment losses, if any. Costs include expenditures directly attributable to acquisition of assets. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Any subsequent cost incurred is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

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The Group has a policy under which assets are capitalized as of the invoice date or launch date of stores, whichever is later. Additionally, for leasehold improvements and electrical fittings, the capitalization date will be the launch date of stores.

The Group has established a threshold for the recognition of low-value assets. Under this policy, assets with an acquisition cost of Indian rupees five thousand or less are considered low-value assets. Such assets are expensed directly to the Profit and Loss account when they are acquired, rather than being capitalized and depreciated over their useful life.

Capital work in progress

Amount paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress. The capital work- in-progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for the intended use.

Depreciation Expense

The Group depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are available for use. The residual value for leasehold improvements and electrical installations and equipment's is considered to be 0%.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

The estimated useful life and method of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of assets are as follows:

Category of assets	Estimated useful life
Computers including Computer servers	3 years
Furniture and fixtures	5 years
Office equipment's	5 years
Electrical Installations and equipment	5 years
Lease hold improvements	5 years
Motor Vehicles	5 years

The Group, based on technical assessment and management estimates, depreciates certain items of plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. 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 carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in the Statement of Profit and Loss in the year the asset is derecognised.

The residual values, useful life and methods of depreciation of PPE are reviewed at each financial year end.

The effects of any change in the estimated useful lives, residual values and/ or depreciation method is accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. Such changes are accounted for in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.

i. Intangible Assets

Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is recognised in the Statement of Profit and Loss when it is incurred.

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Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. Intangible assets within indefinite useful lives are not amortised, but tested for impairment annually. Intangible assets with finite lives are amortised over the estimated useful life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss in the expense category consistent with the function of the intangible assets.

Intangible assets are amortised as per straight line basis based on the following useful life:

Category of assets	Estimated useful life
Intangible Assets	5 years

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

j. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand and short term deposits with an original maturity of three months or less that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

k. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive)as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. The expense relating to a provision is presented in the statement of income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

l. Contingencies

A Contingent Liability is:

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

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The group does not recognize a "contingent liability" but discloses the same as per the requirements of IndAs-37.

A Contingent Asset is:

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

The group does not recognize a contingent asset since it may result in the recognition of income that may never be realized.

m. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating results of the whole Group as one segment. Thus, as defined in Ind AS 108 'Operating Segments', the Group's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the balance sheet and the statement of profit and loss. Further, the Group's long-lived assets are all located in India and most of the Group's revenues are derived from India, and hence no geographical information is presented.

n. Retirement and other employee benefits

Defined Benefit Plan

In accordance with applicable laws in India, the Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") for every employee who has completed 5 years or more of service on departure at 15 days salary (last drawn salary). The Gratuity Plan provides for a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment based on last drawn salary and tenure of employment with the Group. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date using projected unit credit method. The gratuity scheme is not funded.

Re-measurements, comprising of actuarial gains and losses, excluding net interest on defined benefit liabilities, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Past service costs are recognised in income statement on the earlier of

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Group recognizes restructuring-related cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under employee benefit expenses' in Statement of Profit and Loss:

(i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.

(ii) Net interest expense.

Defined Contribution Plan

The Group makes contributions to the Provident Fund scheme, a defined contribution benefit scheme. These contributions are deposited with Government administered fund and recognised as an expense in the period in which the related service is performed. There is no further obligation on the Group on this defined contribution plan.

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Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Share Based Payments

Share based compensation benefits are provided to certain employees of the Group by Kiranakart Pte. Limited, Singapore (the Holding Company) in the form of employee share option plan.

The cost of equity settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cumulative expense recognised for equity settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number or equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a year represents the movement in cumulative expense recognised as at the beginning and end or that period and is recognised in employee benefits expense. The corresponding credit or debit is recorded as equity contribution which is then transfered to payable to Holding Company and in line with the guidance for group share based payments. That cost is recognised, together with a corresponding increase in liabilities, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for cash settled transactions at each reporting date until the vesting date reflects the extent to which the vesting year has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a year represents the movement in cumulative expense recognised as at the beginning and end of that year and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood or the conditions being met is assessed as part or the Group's best estimate of the number of equity instruments that will ultimately vest. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead an immediate expensing or an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/ or service conditions have not been met. Where awards include a market or non-vesting condition. the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and or service conditions are satisfied.

This transaction is within the scope of Ind AS 102 for the entity receiving the services. Even if the Company is not a party to the agreement with its employees, it nevertheless records a cost for this transaction. In effect, the accounting treatment is representing that the Company has received a capital contribution from the Holding Company, which the Company has then 'spent' on employee remuneration.

This is reibmurse by the Company to the Holding company.

o. Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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Company as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-Use Assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. 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.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is modification, a change in the lease term, a change in the lease payments. (e.g., changes to future payments resulting from a change in an index or rate is used to determine such lease payments) or a change in the assessment of an option to purchase underlying asset.

iii) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

p. Revenue from contracts with customers

Revenue from contracts with customers is recognised upon transfer of control of promised goods or services to customers. Revenue is measured at the fair value of the consideration received or receivable excluding discounts, incentives, performance bonuses, price concessions, amounts collected on behalf of third parties or other similar items, if any, as specified in the contract with the customer. Revenue from bundled contracts is recognized separately for each performance obligation based on stand-alone selling price. Revenue is recognized to the extent that it is probable that economic benefits will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

The following is a description of principal activities from which the Group generates its revenue:

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Sale of traded goods

Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for products. Revenue from the sale of products is recognised when products are delivered to customer.

Rendering of services

Income from packaging and delivery services

Income from packaging and delivery service is recognised at a point in time when the products are delivered to the end customers.

Income from warehousing services

Revenue from warehousing services is recognised at a point in time when the products are delivered to the end customers.

Interest income

Interest income on financial assets (including deposits with banks) is recognised using the effective interest method on a time proportionate basis. Interest income is included in other income in the statement of profit and loss.

Income from advertisement services

Revenue from advertising services is recognized over time during the contractual service period when the services have been performed and rendered.

Income from intellectual property services

Revenue from intellectual property services is recognized over time as per the contractual service period when the services have been performed and rendered.

Contract Balances

Contract assets

A contract asset is initially recognised for revenue earned from rendering services because the receipt of consideration is conditional on successful completion of rendering the services. Upon completion of the rendering of the services and acceptance by the customer, the amount is recognised as contract assets is reclassified to trade receivables.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement.

Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer)."

q. Finance Cost

Finance expenses comprise interest cost on borrowings. Borrowing costs that are directly attributable to a qualifying asset are capitalised as part of cost of the asset. All other borrowing cost are expensed in the period in which they occur, using the effective interest method.

r. Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income in which case the related income tax is also recognised accordingly.

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Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation, and at establishes provisions where appropriate.

Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in Consolidated Financial Statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income 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 income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offsets current tax assets against current tax liabilities, and they relate to taxes levied by the same tax at authority on either the same taxable entity or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

s. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its equity shares.

Basic EPS is calculated by dividing the profit attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting profit attributable to equity shareholders and the weighted average number of equity shares outstanding, for the effects of all dilutive potential equity shares if the same are dilutive in nature.

t. Inventories

Inventories are stated at the lower of cost or net realizable value. Costs include purchase costs and other costs incurred in bringing the inventories to their present location and condition. Inventories are primarily accounted for using first-in first-out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

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Inventories of packing material are valued at cost.

Where necessary, allowance is provided for damaged, obsolete and slow moving items to adjust the carrying value of inventories to the lower of cost and net realizable value.

u. Event occurring after balance sheet date

Based on the nature of the event, the Group identifies the events occurring between the balance sheet date and the date on which the Consolidated financial statements are approved as 'Adjusting Event' and 'Non-adjusting event'. Adjustments to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amounts relating to conditions existing at the balance sheet date or because of statutory requirements or because of their special nature. For non-adjusting events, the Group may provide a disclosure in the Consolidated financial statements considering the nature of the transaction.

3. Significant accounting estimates and judgements

The preparation of the Group's Consolidated Financial Statements in conformity with Ind AS 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 at the reporting period. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. 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 Consolidated Financial Statements are included in the following notes.

a. Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 5 years. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Group's property, plant and equipment at the end of the reporting period is disclosed in Note 4 to Consolidated Financial Statements.

b. Employee benefits plan

The cost of the defined benefit gratuity plan, compensated absences and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates. The mortality rate is based on publicly available mortality tables for the country. Those mortality tables tend to change only at interval in response to demographic changes.

c. Income tax and deferred tax

The Group has exposure to income taxes in Indian jurisdiction. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant managements judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

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d. Impairment of financial assets

On application of Ind AS 109, the impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

e. Share based payment

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield, forfeiture rate and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 34.

f. Provision

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

g. Fair Value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

h. Leases-Estimating the incremental borrowing rates

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the Group's credit rating).

i. Other estimates

The preparation of Consolidated Financial Statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of Financial Statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

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4. Property, plant and equipment*

Particulars	Computers including Computer servers	Furniture and fixtures	Office equipments	Electrical Installations and Equipments	Lease hold improvements	Motor Vehicles	Total
Gross book value							
As at April 01, 2022	**148.50**	**190.47**	**41.90**	**184.39**	**232.12**	**1.64**	**799.02**
Additions	121.77	125.94	82.62	194.18	63.60	2.07	590.18
Disposals	(1.91)	(1.36)	(0.12)	(1.34)	(30.68)	(1.64)	(37.05)
As at March 31, 2023	**268.36**	**315.05**	**124.40**	**377.23**	**265.04**	**2.07**	**1,352.15**
Additions	145.37	256.37	156.34	265.63	55.33	2.70	881.74
Disposals	(1.67)	-	-	(1.64)	-	-	(3.31)
As at March 31, 2024	**412.06**	**571.42**	**280.74**	**641.22**	**320.37**	**4.77**	**2,230.58**
Accumulated depreciation							
As at April 01, 2022	**12.57**	**9.33**	**1.85**	**9.45**	**12.40**	**0.04**	**45.64**
Charge for the year	67.50	52.10	16.18	58.16	54.83	0.31	249.08
Disposals	(0.74)	(0.24)	(0.02)	(0.12)	(5.79)	(0.35)	(7.26)
As at March 31, 2023	**79.33**	**61.19**	**18.01**	**67.49**	**61.44**	**(0.00)**	**287.46**
Charge for the year	105.10	109.04	59.24	125.15	87.85	0.84	487.22
Disposals	(0.76)	-	-	(0.39)	-	-	(1.15)
As at March 31, 2024	**183.67**	**170.23**	**77.25**	**192.25**	**149.29**	**0.84**	**773.53**
Net book value							
As at March 31, 2024	**228.39**	**401.19**	**203.49**	**448.97**	**171.08**	**3.93**	**1,457.05**
As at March 31, 2023	**189.03**	**253.86**	**106.39**	**309.74**	**203.60**	**2.07**	**1,064.69**

*Refer note 28(i) for capital commitments.

Note :- All movable assets have been pledged to secure borrowings of the Company (Refer Note 14(i))

5. Capital work in progress (CWIP)

Particulars	Amount
At Cost	
As at April 01, 2022	**-**
Additions	1.87
Capitalisation	-
As at March 31, 2023	**1.87**
Additions	2.45
Capitalisation	(1.87)
As at March 31, 2024	**2.45**

Capital work-in-progress ageing schedule:

Particulars	Amount in CWIP of March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	2.45	-	-	-	2.45
Total	**2.45**	**-**	**-**	**-**	**2.45**

Particulars	Amount in CWIP of March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	1.87	-	-	-	1.87
Total	**1.87**	**-**	**-**	**-**	**1.87**

(i) The Capital work in progress constitutes development expenses of leasehold improvements of the store/warehouse premises yet to be operational.

(ii) There are no projects whose completion is overdue or has exceeded its cost compared to its original plan during the financial year.

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6. Intangible Assets

Particulars	Softwares	Total
At Cost		
As at April 01, 2022	-	-
Additions	26.41	26.41
Disposals	-	-
As at March 31, 2023	**26.41**	**26.41**
Additions	39.58	39.58
Disposals	-	-
As at March 31, 2024	**65.99**	**65.99**
Accumulated depreciation		
As at April 01, 2022	-	-
Charge for the year	**0.56**	**0.56**
Disposals	-	-
As at March 31, 2023	**0.56**	**0.56**
Charge for the year	11.90	11.90
Disposals	-	-
As at March 31, 2024	**12.46**	**12.46**
Net book value		
As at March 31, 2024	**53.53**	**53.53**
As at March 31, 2023	**25.85**	**25.85**

7. Right-of-Use (RoU) assets

Particulars	Buildings	Total
Gross book value		
As at April 01, 2022	**1,609.12**	**1,609.12**
Additions	952.95	952.95
Disposals	(186.83)	(186.83)
As at March 31, 2023	**2,375.24**	**2,375.24**
Additions	2,208.95	2,208.95
Disposals	(331.49)	(331.49)
As at March 31, 2024	**4,252.70**	**4,252.70**
Accumulated depreciation		
As at April 01, 2022	101.85	101.85
Charge for the year	**426.24**	**426.24**
Disposals	(33.90)	(33.90)
As at March 31, 2023	**494.19**	**494.19**
Charge for the year	710.68	710.68
Disposals	(121.30)	(121.30)
As at March 31, 2024	**1,083.57**	**1,083.57**
Net carrying value		
As at March 31, 2024	**3,169.13**	**3,169.13**
As at March 31, 2023	**1,881.05**	**1,881.05**

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8. Intangible assets under development (IAUD)

Particulars	Amount
Gross book value	
As at April 01, 2022	-
Additions	17.79
Capitalized during the year	-
As at March 31, 2023	**17.79**
Additions	-
Capitalized during the year	(17.79)
As at March 31, 2024	-
Net book value	
As at March 31, 2024	-
As at March 31, 2023	**17.79**

Intangible assets under development ageing schedule:

Particulars	Amount in IAUD of March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

Particulars	Amount in IAUD of March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects-in-progress	17.79	-	-	-	17.79
Total	**17.79**	**-**	**-**	**-**	**17.79**

The intangible assets under development constitutes software development expenses.

9. Financial assets

(i) Current Investments

	As at March 31, 2024	As at March 31, 2023
Investment in Mutual Funds	-	748.26
Total	**-**	**748.26**

(ii) Trade receivables and contract assets

	As at March 31, 2024	As at March 31, 2023
Trade Receivables - Unsecured, considered good	3,236.85	708.17
Trade receivables, credit impaired	-	-
	3,236.85	708.17
Less: Allowances for expected credit loss	-	-
Total	**3,236.85**	**708.17**

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

The contract assets primarily relate to Group's rights to consideration for performance obligation completed but not billed at the reporting date due to contractual terms. The contract assets are transferred to receivables when the rights become unconditional.

Trade receivables are non-interest bearing and are generally on 0 to 30 days' term. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

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Trade receivables ageing schedule for the years ended as at:

As at March 31, 2024

Particulars	Contract assets	Not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	
Undisputed trade receivables – considered good	179.11	2,788.45	269.29					3,236.85
Undisputed trade receivables– credit impaired	-	-	-	-	-	-	-	-
Total	**179.11**	**2,788.45**	**269.29**	**-**	**-**	**-**	**-**	**3,236.85**

As at March 31, 2023

Particulars	Contract assets	Not due	Outstanding for following periods from due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	>3 years	
Undisputed trade receivables– considered good	2.70	705.47	-	-	-	-	-	708.17
Undisputed trade receivables– credit impaired	-	-	-	-	-	-	-	-
Total	**2.70**	**705.47**	**-**	**-**	**-**	**-**	**-**	**708.17**

(iii) Cash and Cash Equivalents

	As at March 31, 2024	As at March 31, 2023
Cash in hand (refer note (i) below)	-	-
Balances with banks in current accounts	42.85	44.54
Deposits with original maturity of less than three months (refer note (ii) and (iii) below)	3,940.00	132.80
	3,982.85	**177.34**

Note:

(i) Cash in hand includes "cash collected on behalf of customers" amounting to ₹ 30.23 (March 31, 2023 ₹ 8.97) which has been netted off against "payable to customers" in other financial liabilities.

(ii) Cash at banks earns interest at floating rates based on daily bank deposit rates on deposits. Short-term deposits are made for varying periods of between 7 days to 3 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

(iii) The Holding Company has pledged part of its short-term deposits in order to fulfil the collateral requirements for the term loan. At March 31, 2024 and March 31, 2023 the fair values of the short-term deposits pledged were ₹ 300.00 and ₹ NIL, respectively. The counterparties have an obligation to return the securities to the Company.

(iv) Other financial assets

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good				
Security deposits	409.94	221.16	-	9.81
Bank deposits with original maturity of more than twelve months*	79.17	0.04	146.06	160.00
Interest accrued but not due	-	-	60.48	83.20
Other receivables**	-	31.74	-	2.70
Total	**489.11**	**252.94**	**206.54**	**255.71**

*Includes margin money deposit of ₹ 153.96 (March 31, 2023: ₹ 160.00) placed as a lien against bank guarantees/borrowings.

**Other receivables are from delivery partners as at March 31, 2023.

	As at March 31, 2024	As at March 31, 2023
Opening balance	83.20	-
Add: Interest accrued during the year	256.09	496.64
Less: Interest received during the year	(278.75)	(413.44)
Closing balance	**60.48**	**83.20**

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(v) Bank balances other than cash and cash equivalents

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Deposits with remaining maturity of more than 3 months and less than 12 months*	-	-	2,941.00	6,130.00
Total	**-**	**-**	**2,941.00**	**6,130.00**

*Includes margin money deposit of ₹ 1,200.00 (March 31, 2023: ₹ 20.00) placed as a lien against bank guarantees/borrowings.

10. Other assets

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Unsecured - considered good				
Balances with statutory/government authorities	-	-	2,035.45	1,691.21
Capital advances	57.27	7.72	-	-
Prepaid expenses	-	-	20.34	35.09
Other advances	-	-	35.86	3.97
	57.27	**7.72**	**2,091.65**	**1,730.27**
Advance to vendors	-	-	388.64	155.54
Less: Provision for Doubtful Advances	-	-	(131.40)	(73.82)
	-	**-**	**257.24**	**81.72**
Total	**57.27**	**7.72**	**2,348.89**	**1,811.99**

11. Inventories (valued at lower of cost or net realizable value)

	Current	
	As at March 31, 2024	As at March 31, 2023
Stock-in-trade*	1,195.43	1,470.52
Goods-in-transit	55.88	85.49
Packing material	14.16	21.32
Total	**1,265.47**	**1,577.33**

*Out of total stock-in-trade ₹ 553.70 (March 31, 2023: ₹ 425.53) is being held by Third parties as on reporting date. The goods-in-transit pertains to stock-in-trade.

For the year ended March 31, 2024 ₹ 60.80 (March 31, 2023: ₹ 140.04) was recognized as an expense to write down inventories to net realizable value and provision for slow moving and non-moving inventories.

12. Share capital

	Current	
	As at March 31, 2024	As at March 31, 2023
Authorized share capital		
19,900,000 (March 31, 2023: 19,900,000) equity shares of ₹ 10 each	199.00	199.00
100,000 (March 31, 2023: 100,000) Preference shares of ₹ 10 each	1.00	1.00
Total authorized share capital	**200.00**	**200.00**
Issued, subscribed and fully paid-up share capital		
9,511,416 (March 31, 2023: 8,428,314) Equity Shares of ₹ 10 each	95.11	84.28
Total issued, subscribed and fully paid-up share capital	**95.11**	**84.28**

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

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 per share				
At the beginning of the year	8,428,314	84.28	2,648,314	26.48
Issued during the year	1,083,102	10.83	5,780,000	57.80
Outstanding at the end of the year	**9,511,416**	**95.11**	**8,428,314**	**84.28**

(b) Terms and rights attached to equity shares

The Company has equity shares having par value of ₹ 10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. 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) Shares held by Holding/ultimate Holding Company along with nominee shareholder

	As at March 31, 2024	As at March 31, 2023
	No. of shares	No. of shares
Equity shares of ₹ 10 each fully paid up		
Kiranakart Pte. Ltd, Singapore, the Holding Company and it's nominees	9,511,416	8,428,313
9,511,416 (March 31,2023: 8,428,313) Equity Shares of ₹ 10 each		

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹ 10 each fully paid up				
Kiranakart Pte. Ltd, Singapore, the Holding Company and it's nominees	9,511,416	100.00%	8,428,313	99.99%

As per the records of the Holding Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares. During the year, the Holding Company has acquired 1 share held by the nominee shareholder.

(e) Neither bonus shares issued nor shares issued for consideration other than cash during a period of five years immediately proceeding the reporting date.

13. Other Equity

	Amount
(a) Retained earnings	
As at 1 April 2022	**(3,917.00)**
Less: Loss for the year	(12,724.86)
As at 31 March 2023	**(16,641.86)**
Less: Loss for the year	(12,486.40)
As at 31 March 2024	**(29,128.26)**
(b) Securities premium	
As at 1 April 2022	**7,176.96**
Add: Issue of equity share capital	15,837.20
As at 31 March 2023	**23,014.16**
Add: Issue of equity share capital	12,484.16
As at 31 March 2024	**35,498.32**

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	Amount
(c) Deemed capital contribution from Holding Company	
As at 1 April 2022	**70.05**
Add: Share based payment to employees (refer note 22)	309.97
Less: Transferred to Payable to Holding Company (refer note 14(iv))	(380.02)
As at 31 March 2023	**-**
Add: Share based payment to employees (refer note 22)	737.55
Less: Transferred to Payable to Holding Company (refer note 14(iv))	(737.55)
As at 31 March 2024	**-**
(d) Other comprehensive income	
As at 1 April 2022	**-**
Add: Remeasurement gain on defined benefit plans	4.32
As at 31 March 2023	**4.32**
Add: Remeasurement loss on defined benefit plans	(39.64)
As at 31 March 2024	**(35.32)**
Total other equity	
As at 31 March 2024	**6,334.74**
As at 31 March 2023	**6,376.62**

Nature and purpose of reserves

Retained Earnings

Retained earnings are the profits/(loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Deemed capital contribution by Holding Company

Deemed capital contribution by Holding Company is used to recognise the value of equity settled share based payment provided to employees and same is used for payments towards share based payment expense recharge by the Holding Company.

Other Comprehensive income

This pertains to re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

14. Financial liabilities

(i) Borrowings

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured - Carried at amortized cost:				
Non convertible redeemable debentures (refer note (i) below)	274.87	469.25	697.08	740.00
Term Loan (refer note (ii)(a) below)	292.42	-	111.92	-
Working capital loan (refer note (ii)(b) below)	-	-	260.00	-
Secured - Carried at fair value through profit and loss (FVTPL):				
0.01% Series A optionally convertible redeemable preference shares (refer note (iii) below)	0.01	0.01	-	-
0.01% Series B optionally convertible redeemable preference shares (refer note (iii) below)	0.02	0.02	-	-
Total	**567.32**	**469.28**	**1,069.00**	**740.00**

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(All amounts are in ₹ Million, unless otherwise stated)

Notes:

i) Non-Convertible Redeemable Debentures (NCDs)

a) Series E

On December 29, 2023, Company issued 5,000 Series E Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry a interest rate of 12.50% p.a. payable monthly. Effective interest rate for the said loan is 13.73%.

27 equal monthly installments of Principal amount of ₹ 18.51 commencing from April 2024.

b) Series C

On July 26, 2022, Company issued 2,500 Series C Unrated, Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry a coupon rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 14.61%.

8 equal quarterly installments of Principal amount of ₹ 31.25 commencing from October 2022, accordingly the same has been fully repaid on July 26, 2024.

c) Series A

On 30th June, 2022, Company issued-

(i) Series A Fund II Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 1,000,000 each and

(ii) Series A Fund III Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 1,000,000 each.

NCD shall carry an interest rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 15.21%.

Repayment schedule:

(i) Series A Fund-II 30 equal monthly installments of Principal payment of ₹ 18.33 commencing after the 6 months moratarium period, accordingly the same has been fully repaid on May 10, 2024.

(ii) Series A Fund-III 30 equal monthly installments of Principal payment of ₹ 12.91 commencing after the 6 months moratarium period, accordingly the same has been fully repaid on May 10, 2024.

d) Series D

On August 1, 2022, Company issued 5,000 Series D Unlisted, secured by movable fixed assets and current assets, Redeemable, Non-convertible Debenture of Face value of ₹ 100,000 each. NCD shall carry a interest rate of 13.75% p.a. payable monthly. Effective interest rate for the said loan is 15.66%.

25 equal monthly installments of Principal amount of ₹ 20.00 commencing from November 2022, accordingly the same has been fully repaid on May 10, 2024.

ii) Loans and Borrowings

a) Term Loan

During the year, the Company has taken term loan secured by movable fixed assets and current assets amounting to ₹ 404.33 for the purpose of capital expenditure at the interest rate of 9.25% p.a. The Term Loan has to be repaid over the period of 3 years with monthly Instalment starting from May 07, 2024 (36 Instalments).

b) Working Capital Loan

During the year, the Company has taken working capital loan secured by movable fixed assets and current assets amounting to ₹ 140.00 and ₹ 120.00 at an agreed spread over external benchmarked treasury bill rate. Subsequent to balance sheet date, on April 02, 2024, the entire loan of ₹ 260.00 has been repaid.

Note:

(i) Bank loan contain certain financial covenants and the Company has satisfied all covenants as per the terms of bank loan.

(ii) Quarterly statements of current assets filed by the Company with banks are in agreement with the unaudited books of accounts.

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iii) Preference Share capital

Series A

On July 26, 2022, the Company issued 8,182 Series A Optionally Convertible Redeemable Preference Shares ("OCRPS") of ₹ 10 each at par partly paid up. OCRPS shall be partly paid up to the extent of ₹ 1 per OCRPS. Investor may make it fully paid at its option at any time during the Exercise period. Upon being made fully paid up and at the option of the investor, the Company shall redeem the OCRPS on occurence of (a) liquidity event at the Holding Company level or (b) on the best effort basis on the 6th anniversary of the date of date of allotment of OCRPS (Exercise period) (c) on the best effort basis on any subsequent round of primary capital raise at the holding Company level.

Series B

On August 1, 2022, the Company issued 16,364 Series B Optionally Convertible Redeemable Preference Shares ("OCRPS") of ₹ 10 each at par partly paid up. Investor shall be entitled to subscribe to prefernce shares to the extent of 9% of the investment amount i.e. ₹ 45.00, which when exercised at any time during the exercise period (at the option of Investor). Upon becoming fully paid up and at the option of the investor at any time upto 7years from date of allotment, the Company shall redeem the OCRPS on the earlier to occur of (a) a liquidation event under the Holding Company shareholders agreement or (b) on a best effort basis of the Company, on the 8th anniverary of the date of issuance and allotment of OCRPS.

Preference shares of ₹ 10 each issued, subscribed and partly paid	No. of shares	Amount
As at April 01, 2022	-	-
Issue of Preference shares ₹ 10 each; Partly paidup @ ₹ 1 each	24,546	0.03
As at March 31, 2023	**24,546**	**0.03**
Issue of Preference shares ₹ 10 each; Partly paidup @ ₹ 1 each	-	-
As at March 31, 2024	**24,546**	**0.03**

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Series A Preference Shares				
Stride Ventures Debt Fund II	8,182	100.00%	8,182	100.00%
Series B Preference Shares				
Alteria Capital Fund II Scheme 1	16,364	100.00%	16,364	100.00%
Total	**24,546**		**24,546**	

(ii) Lease liabilities (refer note 29)

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease liabilities	2,691.34	1,417.35	729.80	588.58
Total	**2,691.34**	**1,417.35**	**729.80**	**588.58**

(iii) Trade and other payables

	As at March 31, 2024	As at March 31, 2023
(I) Total outstanding dues of micro enterprises and small enterprises	729.58	887.50
(II) Total outstanding dues of other than micro enterprises or small enterprises	5,009.30	2,650.45
Total	**5,738.88**	**3,537.95**

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Details relating to Micro, Small and Medium Enterprises (MSME)

		As at March 31, 2024	As at March 31, 2023
(a)	the principal amount remaining unpaid to any supplier	729.58	887.50
(b)	Interest due thereon remaining unpaid to any supplier	25.78	25.78
(c)	the amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006) (MSMED Act), along with the amount of the payment made to the supplier beyond the appointed day	-	-
(d)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(e)	the amount of interest accrued and remaining unpaid	-	-
(f)	the amount of interest remaining due and payable even in the succeeding years, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

Trade payables are unsecured, non-interest bearing, repayable on demand or as per the credit terms agreed with the vendors ranging from 7 to 45 days and are to be settled in cash and cash equivalent.

Trade payables ageing schedule for the years ended as at:

March 31, 2024	Outstanding for following periods from due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	>3 years	Total
Total outstanding dues of micro enterprises and small enterprises	209.43	517.45	1.87	0.83	-	729.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,750.80	3,244.75	8.83	4.92	-	5,009.30
Disputed dues of micro enterprises and small enterprises	-	-	-	-		-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Trade and other payables	**1,960.23**	**3,762.20**	**10.70**	**5.75**	**-**	**5,738.88**

March 31, 2023	Outstanding for following periods from due date of payment					
	Current but not due	Less than 1 year	1-2 years	2-3 years	>3 years	Total
Total outstanding dues of micro enterprises and small enterprises	59.04	827.63	0.83	-	-	887.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	939.30	1,706.23	4.92	-	-	2,650.45
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Trade and other payables	**998.34**	**2,533.86**	**5.75**	**-**	**-**	**3,537.95**

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(iv) Other financial liabilities

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial liabilities at amortised cost:				
Payables to creditors for capital goods	-	-	-	116.03
Payable to employees	11.00	-	208.16	149.42
Payable to related parties (refer note 27)	-	-	1,178.92	435.11
Franchisee deposits	82.50	60.00	-	-
Other financial liabilities*	-	-	25.78	510.61
Financial liabilities at fair value through profit and loss:				
Mark to market derivative financial instrument	79.82	-	-	-
Total	**173.32**	**60.00**	**1,412.86**	**1,211.17**

* Other financial liabilties includes "payable to customers" amounting to ₹ 30.23 (March 31, 2023 ₹ 8.97) which has been netted off against "cash collected on behalf of customers" in Cash in hand.

(v) Changes in liabilities arising from financing activities:

Particulars	April 01, 2023	Cash flows	Changes in fair values	Additions/ deletions	Accretion of Interest	March 31, 2024
Borrowings (Note 14(i))	1,209.28	(877.95)	-	1,154.24	150.75	1,636.32
Lease Liabilities (Note 14(ii))	2,005.93	(853.89)	-	1,902.38	366.71	3,421.13
Total liabilities from financing activities	**3,215.21**	**(1,731.84)**	**-**	**3,056.62**	**517.46**	**5,057.45**

Particulars	April 01, 2022	Cash flows	Changes in fair values	Additions/ deletions	Accretion of Interest	March 31, 2023
Borrowings (Note 14(i))	-	(416.11)	-	1,471.37	154.02	1,209.28
Lease Liabilities (Note 14(ii))	1,501.18	(501.05)	-	764.18	241.62	2,005.93
Total liabilities from financing activities	**1,501.18**	**(917.16)**	**-**	**2,235.55**	**395.64**	**3,215.21**

15. Other liabilities

	Current	
	As at March 31, 2024	As at March 31, 2023
Statutory and other liabilities	189.43	135.68
Other Payables	31.43	44.60
Total	**220.86**	**180.28**

16. Provisions

	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Provision for Gratuity (refer note 33)	125.77	38.07	0.13	0.07
Provision for compensated absences	-	-	165.87	71.27
Total	**125.77**	**38.07**	**166.00**	**71.34**

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17. Revenue from Operations

Revenue from Contracts with customers	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of traded goods	39,729.60	18,043.52
Income from services*	4,815.56	2,213.44
Total	**44,545.16**	**20,256.96**

*includes revenue from advertisement, delivery and other ancillary services.

(i) Timing of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Control transferred at a point in time	44,051.33	19,479.98
Control transferred over time	493.83	776.98
Total	**44,545.16**	**20,256.96**

(ii) Geographical Location of revenue recognition	For the year ended March 31, 2024	For the year ended March 31, 2023
Within India	44,545.16	20,256.96
Outside India	-	-
Total	**44,545.16**	**20,256.96**

(iii) Contract balances:	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade receivables (refer note 9(ii))	3,057.74	705.47
Contract Assets - unbilled receivables	179.11	2.70
Total	**3,236.85**	**708.17**

(iv) A reconciliation between the contract price and revenue from contracts with customers is not disclosed, as the contract price corresponds directly to the revenue from operations.

18. Other Income

	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) Interest income on:		
Fixed deposit	256.09	496.64
Security deposit	19.72	13.18
Income tax refund	5.53	0.29
(ii) Other non operating income:		
Gain on sale of mutual fund	126.10	3.21
Gain on termination of lease contracts (net)	24.52	5.66
Miscellaneous income	8.61	0.07
Total	**440.57**	**519.05**

19. Purchases

	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of traded goods	34,498.28	19,530.26
Total	**34,498.28**	**19,530.26**

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20. Changes in inventories of traded goods

	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance		
Stock-in-trade (including packing material)	1,577.33	681.03
Total (A)	**1,577.33**	**681.03**
Closing Balance		
Stock-in-trade (including packing material)	1,265.47	1,577.33
Total (B)	**1,265.47**	**1,577.33**
Decrease/(Increase) in inventory		
Stock-in-trade (including packing material)	311.86	(896.30)
Total (A - B)	**311.86**	**(896.30)**

21. Delivery and handling expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Delivery and handling expense*	5,803.01	3,668.99
Total	**5,803.01**	**3,668.99**

*This encompasses all costs associated with the end-to-end supply chain operations undertaken by the Company to provide order fulfilment.

22. Employee benefits expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	3,228.65	2,100.23
Contribution to provident and other funds	81.13	42.27
Gratuity expense (refer note 33)	48.12	37.30
Share based payment to employees (refer note 34)	737.55	309.97
Staff welfare expenses	167.14	144.70
Total	**4,262.59**	**2,634.47**

23. Finance costs

	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on borrowings carried at amortised cost	178.45	172.66
Interest expense on lease liabilities (refer note 29)	366.71	241.62
Bank charges	23.44	16.33
Total	**568.60**	**430.61**

24. Depreciation and amortisation expense

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of property, plant and equipment (refer note 4)	487.22	249.08
Amortisation of Intangible assets (refer note 6)	11.90	0.56
Amortisation of Right-of-Use (RoU) assets (refer note 7)	710.68	426.24
Total	**1,209.80**	**675.88**

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25. Other expenses

	For the year ended March 31, 2024	For the year ended March 31, 2023
Warehousing expenses	4,926.51	3,447.86
Advertisement expenses	3,035.49	2,158.21
Rent and Maintenance	139.37	94.37
Software expenses	1,146.30	687.24
Rates and taxes	175.86	341.54
Electricity and water charges	337.85	192.44
Legal and professional fees	334.65	239.16
Repairs and maintenance - others	68.65	38.39
Provision for Doubtful Advances	26.44	73.82
Fair value loss on derivative financial instruments at fair value through profit or loss	79.82	-
Store and Franchisee Expenses	417.54	60.93
Travelling and conveyance expenses	56.80	13.39
Insurance charges	12.61	29.99
Assets Write-off	-	28.75
IT and Internet expenses	18.57	14.28
Office expenses	20.61	21.04
Membership and subscription	1.95	2.32
Payment to auditor*	6.80	2.34
Loss on sale of property, plant and equipment and right-of-use assets	0.17	0.21
Unrealized foreign exchange loss	0.79	0.05
Miscellaneous expenses	11.20	10.63
Total	**10,817.98**	**7,456.96**

***Auditor remuneration includes:-**	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory audit fees	6.80	1.60
Tax audit fees	-	0.30
Transfer pricing fees	-	0.20
Certification charges	-	0.24
Total	**6.80**	**2.34**

26. Earnings per share (EPS)

Basic earnings per share:

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share:

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. The following table reflects the income and share data used in the basic and diluted EPS computations:

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
(Loss) during the year attributable to owners of the Company (In million)	(12,486.40)	(12,724.86)
Weighted average number of ordinary shares outstanding for calculation of EPS	8,815,065.49	7,506,341.39
Basic and diluted loss per share (₹ per share)	(1,416.49)	(1,695.21)

i) Dilution has been computed based on information of conversion available with the Parent company

ii) Since the conversion of OCRPS and ESOPs to equity shares would decrease loss per share, these potential equity shares are considered anti-dilutive and the effect of anti-dilutive potential equity shares are ignored.

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27. Related party disclosures

Names of related parties and related party relationship

(a). Related parties where control exists and with whom transactions have taken place during the years reported in these financial statements

Relationship		Name of entity / person
Holding Company	:	Kiranakart Pte. Limited, Singapore
Wholly owned Subsidiary Company	:	Kiranakart Wholesale Private Limited
Key managerial personnel	:	Mr. Kaivalya Vohra, Director
		Mr. Nikhil Kumar Mittal, Director
		Mr. Aadit Palicha, Director of Holding Company
		Mr. Vinay Dhanani, Director of subsidiary Company
		Ms. Megha Hegde, Company Secretary (w.e.f; August 02, 2024)
Relatives of Key managerial personnel (KMP) :		Mr. Jaideep Vohra (Relative of Director)
		Modulus Hospitality Services LLP (Entity where relative of Director is having control)

(b) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Relationship	Nature of transactions	For the year ended March 31, 2024	For the year ended March 31, 2023
i) Transactions			
Holding Company	Issue of equity shares (including securities premium)	12,494.99	15,895.00
	Gurantee Commission	6.25	17.50
	Reimbursements (Net)	-	27.70
	Share based payment cross charge	737.55	309.97
Key managerial personnel			
Mr. Kaivalya Vohra	Remuneration #	15.00	15.00
Mr. Aadit Palicha	Remuneration #	15.00	15.00
Mr. Nikhil Kumar Mittal	Remuneration *#	19.28	22.47
Mr. Vinay Dhanani	Remuneration *#	25.84	-
Others			
Modulus Hospitality Services LLP	Services received	2.78	6.07
Mr. Jaideep Vohra (Relative of Director)	Services received	0.27	0.12

Name of the party	Nature of balances	As at March 31, 2024	As at March 31, 2023
ii) Balances as at the year end			
Holding Company	Payables	1,178.92	435.11
Mr. Jaideep Vohra	Payables	-	0.12
Mr. Kaivalya Vohra	Payables	19.46	14.62
Mr. Aadit Palicha	Payables	15.26	9.84

*The remuneration to the key managerial personnel does not includes values of ESOPs issued by the Holding Company.

#The provisions made for gratuity and leave benefits are not included, as they are determined on an actuarial basis for the Company as a whole.

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28. Commitments and contingencies

	As at March 31, 2024	As at March 31, 2023
(i) Capital Commitments		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	146.55	26.16
(ii) Contingent Liabilities		
Pending Litigations*	27.10	92.93

*The Company has reviewed all its pending litigation and proceedings and it does not expect the outcome of the proceedings to have a material effect on it's financial statements. Accordingly the same has been disclosed as contingent liability.

29. Lease liabilities

The Company has lease contracts for various properties used in its operations. Leases of properties generally have lease terms between 1.5 and 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio to align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

The changes in the carrying values of lease liabilities are as follows:

	As at March 31, 2024	As at March 31, 2023
At the beginning of the Financial Year	2,005.93	1,501.18
Additions	2,137.09	922.78
Reduction in liability	(234.70)	(158.60)
Accretion of interest	366.71	241.62
Payments	(853.89)	(501.05)
Carrying value as at end of the Financial Year	**3,421.14**	**2,005.93**

The maturity analysis of lease liabilities are disclosed in Note 31(b).

The following are the amounts recognized in profit or loss:

	As at March 31, 2024	As at March 31, 2023
Interest expense on lease liabilities	366.71	241.62
Expenses relating to short-term leases	139.37	94.37
Amortization of right-of-use assets	710.68	426.24
Total Expenses	**1,216.76**	**762.23**

The effective interest rate for lease liabilities as at March 31, 2024 is 13.75% (March 31, 2023: 13.75%).

30. Capital management

The Company's objectives when managing capital are to:

i. Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits for other stakeholders, and

ii. Maintain an optimal capital structure to reduce the cost of capital.

Funding requirements are met through equity and preference shares and operating cash flows generated. Financial liability pertaining to preference shares is considered as equity for the purpose of capital management and not as debt. Accordingly, the Company monitors capital on the basis of the following gearing ratio.

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Adjusted net debt (total borrowings net of cash and cash equivalents, bank deposits and financial liability portion of preference shares divided by Total 'equity' (as shown in the balance sheet) added by financial liability portion of preference shares and equity shares.

	As at March 31, 2024	As at March 31, 2023
Borrowings (Note 14(i))	1,636.32	1,209.28
Lease liabilities (Note 14(ii))	3,421.14	2,005.93
Trade and other payables (Note 14(iii))	5,738.88	3,537.95
Other liabilities (Note 14(iv) & 15)	1,807.04	1,451.45
Provisions (Note 16)	291.77	109.41
Less: cash and cash equivalent (Note 9(iii))	(3,982.85)	(177.34)
Less: bank deposits not considered in cash and cash equivalent (Note 9(iv) & (v))	(3,166.23)	(6,290.04)
Adjusted net debt (A)	**5,746.07**	**1,846.64**
Equity attributable to the equity holders of the Company	6,429.85	6,460.90
Total equity (B)	**6,429.85**	**6,460.90**
Total (A+B)	**12,175.92**	**8,307.54**
Gearing ratio (A/A+B)	**47.19%**	**22.23%**

31. Financial risk management objectives and policies

The Company is exposed to financial risks arising from its operations. The key financial risks include credit risk, liquidity risk, and market risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks, except as disclosed in Note 31 (d) foreign currency risk section.

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on Company's internal assessment.

i) Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored by the management. An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class.

ii) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

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(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available. Moreover the Holding Company has undertaken to provide financial and other support as necessary to enable the Company and its subsidiary to continue meeting its liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	As at March 31, 2024			
	One year or less	One to five years	Over five years	Total
Financial liabilities				
Borrowings	1,069.00	567.32	-	1,636.32
Trade and other payables	5,722.43	16.45	-	5,738.88
Lease liabilities	1,119.87	3,081.12	66.47	4,267.46
Others	1,412.86	173.32	-	1,586.18
Total undiscounted financial liabilities	**9,324.16**	**3,838.21**	**66.47**	**13,228.84**

	As at March 31, 2023			
	One year or less	One to five years	Over five years	Total
Financial liabilities				
Borrowings	740.00	469.28	-	1,209.28
Trade and other payables	3,532.20	5.75	-	3,537.95
Lease liabilities	650.95	2,016.24	70.49	2,737.68
Others	1,211.17	60.00	-	1,271.17
Total undiscounted financial liabilities	**6,134.32**	**2,551.27**	**70.49**	**8,756.08**

Refer Note no. 28 for Details of Company's Contigent liabilities and commitments.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from investments in fixed deposits. The Company does not have any significant interest rate risk as all interest bearing assets and liabilities have fixed interest rates.

(d) Foreign currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company's primary transactional currency is Indian rupee and the foreign currency transactions are restricted to certain payables/receivables.

As at March 31, 2024 and March 31, 2023, 5% increase /decrease in the exchange rate of Indian rupee would result in approximately ₹ 9.20 and ₹ 23.63 increase in the gain/loss before tax of the Company.

(e) Equity price risk

The Company is mainly exposed to the price risk due to its investment in equity based mutual funds. At March 31, 2024 the investments in mutual fund (at market value) amounts to ₹ Nil (March 31, 2023 : ₹ 748.26).

The Company does make deposit with the banks as margin money against the borrowing facility provided by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

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Sensitivity analysis to price risk

A 5% movement in prices would have led to the following pre-tax impact in the statement of profit and loss.

Financial Instrument	Increase / (Decrease) in Profit			
	As at March 31, 2024		As at March 31, 2023	
	5% Increase	5% Decrease	5% Increase	5% Decrease
Investment in Mutual Funds	-	-	37.41	(37.41)
Total	**-**	**-**	**37.41**	**(37.41)**

32. Financial Instruments - category and fair value hierarchy

(a) Financial instruments by category

The carrying value of financial instruments by categories as at year end is as follows:

	As at March 31, 2024	As at March 31, 2023
Financial assets		
Measured at fair value through profit and loss		
Investment in mutual funds	-	748.26
	-	**748.26**
Measured at amortised cost		
Trade receivables	3,236.85	708.17
Cash and cash equivalents	3,982.85	177.34
Bank balances other than cash and cash equivalents	2,941.00	6,130.00
Other financial assets	695.65	508.65
	10,856.35	**7,524.16**
Total	**10,856.35**	**8,272.42**

	As at March 31, 2024	As at March 31, 2023
Financial liabilities		
Designated at fair value through profit and loss		
Financial liabilities of preference shares	79.85	0.02
	79.85	**0.02**
Measured at amortised cost		
Non convertible redeemable debentures	971.95	1,209.25
Borrowings	664.34	-
Trade payables	5,738.88	3,537.95
Other financial liabilities	1,506.36	1,271.17
	8,881.53	**6,018.37**
Total	**8,961.38**	**6,018.39**

(b) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. Below are the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

There are no transfers between any of the fair value during the year under consideration.

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(i) The following table provides the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at year end:

	As at March 31, 2024	As at March 31, 2023
Financial assets		
Level 1	-	748.26
Investments in mutual funds	**-**	**748.26**
Financial liabilities		
Level 2	79.85	0.02
Financial liabilities of preference shares (refer note 14 (i) & (iv))	**79.85**	**0.02**

The mutual funds are fair valued using the closing NAV.

The preference shares with redemption and conversion are fair valued using liability redemption price formulae as mentioned in the agreement.

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

(a) The carrying value of trade receivables, unbilled receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, security deposits, other financial assets, trade payables, current borrowings and other financial liabilities measured at amortised cost approximate their fair value, due to their short term nature.

(b) The fair values of deposits with banks approximate their carrying value given the highly liquid / liquid nature of the financial assets.

33. Employee Benefit Obligation

The Company operates a defined benefit gratuity plan for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The plan is not funded by the Company.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet:

	As at March 31, 2024	As at March 31, 2023
Statement of Profit and Loss		
Current service cost (including risk premiums for fully insured benefits)	45.35	36.99
Net interest on net defined benefit liability	2.77	0.31
Net benefit expense	**48.12**	**37.30**
Re-measurement (gains)/losses in Other Comprehensive Income		
Changes in financial assumptions	0.68	(4.87)
Changes in demographic assumptions	39.42	-
Experience adjustments	(0.46)	0.55
Net re-measurement (gain)/loss on net defined benefit liability	**39.64**	**(4.32)**
Balance sheet		
Present value of defined benefits obligation (Non-Current)	125.77	38.07
Present value of defined benefits obligation (Current)	0.13	0.07
Plan liability	**125.90**	**38.14**
Change in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	38.14	5.16
Current service cost	45.35	36.99
Net interest on net defined benefit liability	2.77	0.31
Impact of liability assumed or (settled)	-	-
Amount recognised in other comprehensive income	39.64	(4.32)
Defined benefit obligation as at the end of the year	**125.90**	**38.14**

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The principal assumptions used in determining gratuity and leave benefit obligations for the Company's plan are as follows:

	March 31, 2024	March 31, 2023
Discount rate*	7.20% to 7.25%	7.30%
Salary escalation rate	15.00%	10.00% to 15.00%
Mortality rate**	Indian Assured Lives Mortality (100% of IALM 2012-14)	Indian Assured Lives Mortality (100% of IALM 2012-14)
Withdrawal rate	21 to 30 years - 13% 31 - 44 years - 12% 45-59 years - 14%	Up to 30 years - 25% 31 - 44 years - 20% Above 44 years - 10%

*The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations. The government security yields for the relevant tenure of the obligations have been derived from the rates published by Financial Benchmarks India Pvt. Ltd. (FBIL).

** As published by IRDA and adopted as Standard Mortality Table as recommended by Institute of Actuaries of India effective April 1, 2013

Sensitivity analysis of assumptions used	As at March 31, 2024	As at March 31, 2023
Discount rate	7.20% to 7.25%	7.30%
Effect on defined benefits obligation due to 1% increase in discount rate	(6.61)	(3.56)
Effect on defined benefits obligation due to 1% decrease in discount rate	7.14	3.90
Salary escalation rate	15.00%	10.00% to 15.00%
Effect on defined benefits obligation due to 1% increase in salary escalation rate	(4.64)	2.87
Effect on defined benefits obligation due to 1% decrease in salary escalation rate	5.28	(2.91)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

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

(a) **Interest risk:** A decrease in the discount rate will increase the plan liability.

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

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

The following payments are expected contributions to the defined benefit plan in future years:

Expected benefit payments	As at March 31, 2024	As at March 31, 2023
Within 1 year	0.13	0.07
2-5 years	33.03	11.89
Between 6 and 10 years	56.03	25.61
Beyond 10 years	235.29	51.94

The weighted average duration of the defined benefit obligation is 10.92 years and 11 years for the current year and previous year respectively.

34. Employee share option plans

The Company has granted stock options under the Employee stock option plan of Kiranakart Pte. Limited, Singapore, Holding Company to the eligible employees of the Company. These options would vest generally over 4 years from the date of grant based on the vesting conditions as per letter of grant executed between the Holding Company and the employee of the Company. The fair value is being amortized over the vesting period on a graded vesting basis.

The total expense of share based payments for the year ended March 31, 2024 is ₹ 737.55 (March 31, 2023: ₹ 309.97) and the same has been disclosed under employee benefits expense in the Statement of Profit and Loss.

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Movement of share options during the financial year

The following table illustrates the movement of the options during the financial year:

	As at March 31, 2024 (Number)	As at March 31, 2023 (Number)
Outstanding as at the beginning of the year	1,47,081	1,15,149
- Granted	1,09,324	37,713
- Forfeited	(22,033)	(5,781)
Outstanding as at the end of the year	**2,34,372**	**1,47,081**
Vested as at the year end	**85,847**	**44,043**
Options exercisable as at the year end	-	-

Fair value of share options granted

The fair value of share options granted by the Company that are classified as time-based options is estimated at the grant date using arm's length price of the share options as reduced by DLOM (Discount due to Lack of Marketability) computed using black scholes model, taking into account the terms and conditions upon which the share options were granted. The inputs used to measure fair values of options granted on the grant date were as follows:

	As at March 31, 2024	As at March 31, 2023
Dividend yield (% p.a.)	0.00%	0.00%
Expected volatility (% p.a.)*	50.00%	50.00%
Risk-free interest rate (% p.a.)	2.87% - 3.75%	0.52% - 2.27%
Expected time to exercises shares	Immediately on vesting at yearly rest	Immediately on vesting at yearly rest
Weighted average remaining contractual life of options outstanding at end of year	10 Years	8.59 Years

The Company settles the share based payments liability cross charged by the Holding Company on a periodical basis. The statement of profit and loss expense or credit for a year represents the movement in cumulative expense recognised as at the beginning and end or that period and is recognised in employee benefits expense. The corresponding credit or debit is recorded as equity contribution which is then transfered to payable to Holding Company and in line with the guidance for group share based payments. That cost is recognised, together with a corresponding increase in liabilities, over the year in which the performance and/or service conditions are fulfilled in employee benefits expense.

*Expected volatility is based on historical volatility of share prices of comparable companies for the expected life of options.

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35. Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments:

	As at March 31, 2024		As at March 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortized cost				
Trade receivables	3,236.85	3,236.85	708.17	708.17
Cash and cash equivalents	3,982.85	3,982.85	177.34	177.34
Bank balances other than cash and cash equivalents	2,941.00	2,941.00	6,130.00	6,130.00
Other financial assets	695.65	695.65	508.65	508.65
Total	**10,856.35**	**10,856.35**	**7,524.16**	**7,524.16**
Financial assets measured at fair value through profit and loss				
Investments in mutual funds	-	-	748.26	748.26
Total	**-**	**-**	**748.26**	**748.26**
Financial liabilities measured at amortized cost				
Lease liabilities	3,421.14	3,421.14	2,005.93	2,005.93
Borrowings	1,636.32	1,636.32	1,209.28	1,209.28
Trade payables	5,738.88	5,738.88	3,537.95	3,537.95
Other financial liabilities	1,506.36	1,506.36	1,271.17	1,271.17
Total	**12,302.70**	**12,302.70**	**8,024.33**	**8,024.33**
Financial liabilities measured at fair value through profit and loss				
Other financial liabilities	79.82	79.82	-	-
Total	**79.82**	**79.82**	**-**	**-**

The management assessed that the fair value of above mentioned financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. Fair value of the Company's non-current financial assets/liabilities carried at amortized cost are determined using a DCF method using discount rate that reflects the Company's incremental borrowing rate as at the end of respective reporting period.

For method and assumptions used to estimate the fair values of financial liabilities carried at fair value through profit and loss, refer Note 32(b).

36. The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Management is of the opinion that its international transactions are at arm's length so the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

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37. Disclosure pursuant to Ind AS 12 Income Taxes

The Group has incurred a loss amounting to ₹ 12,486.40 (March 31,2023: ₹ 12,724.86), for the year ending March 31, 2024 and has accumulated losses of ₹ 29,128.26 (March 31, 2023 : ₹ 16,641.86) as at March 31, 2024, respectively. Considering the loss position and accumlated losses, the Company has not recognised any tax liability in the current and previous years.

	As at March 31, 2024	As at March 31, 2023
(a) Reconciliation of accounting profit/(loss) and tax expense:		
Accounting profit/(loss) before income tax	**(12,486.40)**	**(12,724.86)**
Tax at India's statutory income tax rate of 25.17% March 31, 2023 : 25.17%)	(3,142.58)	(3,202.59)
Other non deductible items	-	-
Other temporary differences, business losses and unabsorbed depreciation on which deferred tax is not recognised	3,142.58	3,202.59
Income tax expense reported in Statement of Profit and Loss	-	-

(b) Items on which no deferred tax asset is recognized in the Balance Sheet:

As at the year ended on March 31, 2024 and March 31, 2023, the Group is having deductible temporary differences, brought forward losses and unabsorbed depreciation under the tax laws. However, in the absence of reasonable certainty of realization, DTA have not been created.

38. Ratio analysis and its elements

Ratios	Numerator	Denominator	2024	2023	Variance %	Reason for significant variance
Current Ratio (in times)	Current assets	Current liabilities	1.50	1.80	-16.93%	–NA–
Debt-Equity Ratio (in times)	Total debt	Shareholder's equity	0.79	0.50	58.06%	Primarily due to increase in lease liability during the current year.
Return on Equity Ratio (in %)	Net Profits after taxes	Shareholder's equity	-193.73%	-259.23%	25.27%	Due to increase in shareholder's fund and decrease in loss during the year.
Inventory Turnover Ratio (in times)	Net sales	Average Inventory	24.49	16.50	48.40%	Due to better inventory management during the current year.
Trade Receivables Turnover Ratio (in times)	Revenue	Average trade receivable	22.58	47.36	-52.32%	Due to increase in revenue growth during the current year.
Trade Payables Turnover Ratio (in times)	Expenses	Average trade payables	7.44	7.97	-6.73%	–NA–
Net Capital Turnover Ratio (in times)	Revenue	Working capital [1]	9.59	3.94	143.34%	Due to better working capital management during the current year.
Net Profit Ratio (in %)	Net Profit	Revenue	-28.03%	-62.82%	55.38%	Due to improved margins during the current year as a result of economies of scale.
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed [2]	-104.23%	-127.63%	18.33%	–NA–
Return on Investment (in %)	Interest income	Investment	7.10%	6.97%	1.86%	–NA–

[1] Current assets - Current Liabilities

[2] Total Assets - Current Liability

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(All amounts are in ₹ Million, unless otherwise stated)

39. Segment Reporting

For the year ended March 31, 2024 and March 31, 2023 the Company was managed as a single operating segment Furthermore, the Company has identified that the Board of Director is the Chief Operating Decision Maker (CODM) as they are responsible for making decisions regarding the allocation of resources end assessing performance, as well as for strategic operational decisions and managing the Company.

Following are the disclosures about products and services, geographical areas and major customers:

Products and services:

Revenues from external customers for each group of similar services is disclosed in Note 17.

Geographical Information:

The Company derives its revenue from sale of products and rendering of services in India.

All non current assets including property, plant and equipment intangible assets, right-of-use assets, and other non-current assets are located in India only.

Information about major customers:

The Company has 3 customers constituting more than 10% for each customer which amounts to majority of the total revenue of the Company for the year ended March 31, 2024. For the year ended March 31, 2023, the Company has 2 customers constituting more than 10% for each customer which amounts to majority of the total revenue of the Company."

40. Significant events

Subsequent to the year end, the Company has raised funds amounting to ₹ 58,259.31 by issuance of right shares.

41. Disclosure in relation to funds advanced/received

(i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42. Audit Trail

The Company has migrated from legacy accounting software to the new accounting software during the year with effect from October 01, 2023. The new accounting software for maintaining its books of account has a feature of recording audit trail (edit log) facility but was not enabled throughout the year for all relevant transactions recorded in the software.

The Company also uses certain other applications (referred to as 'support software') for recording certain expenses which does not have the feature of recording audit trail (edit log) facility in the software.

Along with the legacy accounting software which was in use till September 30, 2023, the Company uses third party operated software for supporting the recording of revenue, inventory, purchase & payroll (hereinafter referred to as 'third party operated software'). Management has obtained the report of the Service Organisation Controls (SOC) auditors engaged by such third party which does not mention whether the audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instance of the audit trail feature being tampered with.

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as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

43. Additional Information Required By Schedule III Of The Companies Act 2013

Name of Entity	% of shareholding as at March 31, 2024	Principal place of operation / country of incorporation	March 31, 2024							
			Net Assets ('NA'), i.e. total assets minus total liabilities		Share in profit and loss ('P&L')		Share in other comprehensive income ('OCI')		Share in total comprehensive income ('TCI')	
			Amount	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income
Parent:										
Kiranakart Technologies Pvt. Ltd.		India	6,476.69	100.73%	(12,445.88)	99.68%	(39.82)	100.46%	(12,485.70)	99.68%
Subsidiary:										
Kiranakart Wholesale Pvt. Ltd.	100.00%	India	(46.84)	-0.73%	(40.52)	0.32%	0.18	-0.46%	(40.34)	0.32%
Total			**6,429.85**	**100.00%**	**(12,486.40)**	**100.00%**	**(39.64)**	**100.00%**	**(12,526.04)**	**100.00%**

Name of Entity	% of shareholding as at March 31, 2023	Principal place of operation / country of incorporation	March 31, 2023							
			Net Assets ('NA'), i.e. total assets minus total liabilities		Share in profit and loss ('P&L')		Share in other comprehensive income ('OCI')		Share in total comprehensive income ('TCI')	
			Amount	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income
Parent:										
Kiranakart Technologies Pvt. Ltd.		India	6,467.40	100.10%	(12,718.36)	99.95%	4.32	100.00%	(12,714.04)	99.95%
Subsidiary:										
Kiranakart Wholesale Pvt. Ltd.	100.00%	India	(6.50)	-0.10%	(6.50)	0.05%	-	0.00%	(6.50)	0.05%
Total			**6,460.90**	**100.00%**	**(12,724.86)**	**100.00%**	**4.32**	**100.00%**	**(12,720.54)**	**100.00%**

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Kiranakart Technologies Private Limited

Notes to Consolidated Financial Statements

as at and for the year ended March 31, 2024

(All amounts are in ₹ Million, unless otherwise stated)

44. Other Statutory Information

a) The Company does not have any transactions with struck off companies.

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

c) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

d) The Company did not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) There are no proceedings initiated or pending against the Company under Benami Property held under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under.

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

45. The financial statements of the Company for the year ended March 31, 2023 were audited by predecessor auditor, Ruthala & Co.

46. Previous year figures have been regrouped and reclassed wherever required.

As per our report of even date

For S.R. Batliboi and Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

per Nilangshu Katriar
Partner
Membership no.: 058814

Place: Mumbai
Date: September 19, 2024

For and on behalf of the Board of Directors of Kiranakart Technologies Private Limited

Kaivalya Vohra
Director
DIN: 09298721

Place: Mumbai
Date: September 19, 2024

Nikhil Kumar Mittal
Director
DIN: 08821475

Place: Mumbai
Date: September 19, 2024

Megha Hegde
Company Secretary

Place: Mumbai
Date: September 19, 2024