

INDEPENDENT AUDITOR'S REPORT

To the Members of Bewakoof Brands Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Bewakoof Brands Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of the Management and the Board of Directors 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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, the Board of Directors and 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 the Board of Directors 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Other Matters

The transition date opening Balance Sheet as at April 1, 2021 included in these standalone financial statements, are based on the previously issued standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended), specified under Section 133 and other relevant provisions of the Act audited by the predecessor auditor whose report for the year ended March 31, 2021 expressed an unmodified audit opinion on those standalone financial statements vide their report dated October 6, 2021, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above matter.



The comparative financial information of the Company for the year ended March 31, 2022 included in these standalone financial statements are based on the previously issued standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended), specified under Section 133 and other relevant provisions of the Act for the year ended March 31, 2022 on which we issued an unmodified audit opinion vide our report dated September 30, 2022 on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.

Our opinion is not modified in respect of above matter.

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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position



- 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.
 - (1) The Management has represented that, to the best of its knowledge and belief, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
- v. The Company has neither declared nor paid any dividend during the year.



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3. In our opinion, according to information, explanations given to us, the Company is a deemed public company in accordance with Section 2(71) of the Act with effect from February 15, 2023. The remuneration paid by the Company to its Director has exceeded the pro-rated limits specified in Section 197 of the Act read with Schedule V of the Act and rules thereunder by INR 0.30 Crore, which is accounted for as recoverable from the Director in accordance with the provisions of Section 197 of the Act. However, the management of the Company intends to seek requisite approvals from the shareholders with respect to the excess managerial remuneration paid at the ensuing annual general meeting. (Refer Note 36 to the Standalone Financial Statements).

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrisha Vaidya
Partner
Membership No. 101739
UDIN: 23101739BGXTUI1019



Place: Mumbai
Date: May 11, 2023

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BEWAKOOF BRANDS PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the 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 standalone 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 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 standalone 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.



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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.

For **M S K A & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 23101739BGXTUI1019



Place: Mumbai
Date: May 11, 2023

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BEWAKOOF BRANDS PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Investment property and relevant details of right-of-use assets acquired from April 01, 2018 onwards. However, the Company is in the process of reconciling quantitative details and updating the situation of the assets acquired prior to April 01, 2018.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment, Investment property and right of use assets except as mentioned in clause (i)(a)A above, have been physically verified by the management in the current year in accordance with a planned program of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii.

(a) The inventory (excluding stocks with third parties) has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.



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- iii. According to the information and explanations provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii.
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, duty of customs, cess, have been regularly deposited by the Company with appropriate authorities in all cases during the year. Undisputed statutory dues including provident fund, labour welfare fund and employees' state insurance have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. Undisputed statutory dues including income tax have not been regularly deposited by the Company with the appropriate authorities and there have been serious delays in large number of cases.

Statutory dues which were outstanding, as at March 31, 2023 for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount Rs. in Crores	Period to which the amount relates	Due Date	Date of Payment
Employee's State Insurance Act, 1948	Employee state insurance	0.07	April 2018 to March 2019	Various dates	Not paid as on date of audit report

- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, cess or other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of accounts which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has



been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

- (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiary.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, reporting under the Clause 3(ix)(f) of the Order is not applicable to the Company.

x.

- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment or private placement of shares during the year and the requirements of Section 42 and Section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.

xi.

- (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph 3(xi)(b) of the Order are not applicable to the Company.



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- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by applicable accounting standards. Further, the Company is required to constitute an Audit Committee under Section 177 of the Act.
- xiv. In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group has 8 CICs (registered and unregistered) as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.
- xvii. Based on the overall review of standalone financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	March 31, 2023 (Current year) Rs. in crores	March 31, 2022 (Previous year) Rs. in crores
Cash loss	75.74	72.12

- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.



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- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph 3(xx)(a) to (b) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrisha Vaidya
Partner
Membership No. 101739
UDIN: 23101739BGXTUI1019
Place: Mumbai
Date: May 11, 2023



ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF BEWAKOOF BRANDS PRIVATE LIMITED

[Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Bewakoof Brands Private Limited on the Financial Statements for the year ended March 31, 2023]

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Bewakoof Brands Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial 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 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 standalone financial statements, whether due to fraud or error.



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

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No.101739
UDIN: 23101739BGXTUI1019
Place: Mumbai
Date: May 11, 2023



Bewakoof Brands Private Limited
Standalone Balance Sheet as at March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Assets				
Non-current assets				
Property, plant and equipment	4	11.00	13.44	18.96
Investments Property	5	1.74	1.77	1.80
Other Intangible assets	6	0.22	0.62	0.71
Right-of-use assets	7	1.25	2.04	-
Financial assets				
i. Investments	8	4.63	4.37	1.50
ii. Other financial assets	9	0.75	0.41	0.37
Deferred tax assets(Net)	10	-	0.39	0.39
Non current tax assets(Net)	16	1.06	0.52	0.14
Other non-current assets	15	43.49	38.39	27.03
Total - Non-current assets		64.14	61.95	50.90
Current assets				
Inventories	11	29.57	44.84	45.54
Financial assets				
i. Investments	8	0.05	0.05	-
ii. Trade receivables	12	20.04	11.84	9.88
iii. Cash and cash equivalents	13	34.37	10.44	24.55
iv. Bank balances other than cash and cash equivalents	14	4.77	4.67	3.76
v. Other financial assets	9	0.69	15.64	1.68
Other current assets	15	5.13	6.31	3.65
Total - Current Assets		94.62	93.79	89.06
Total assets		158.76	155.74	139.96
Equity and liabilities				
Equity				
Equity share capital	17	0.07	0.03	0.03
Instruments entirely in the nature of equity	18	-	2.93	0.01
Other equity	19	71.95	(135.39)	(42.99)
Total equity		72.02	(132.43)	(42.95)
Non-current liabilities				
Financial liabilities				
i. Borrowings	20	0.03	189.11	109.25
ii. Lease liabilities	7	0.50	1.27	-
Provisions	23	0.50	1.34	0.66
		1.03	191.72	109.91
Current liabilities				
Financial liabilities				
Borrowings				
i. Trade payables	20	34.40	41.12	20.53
(a) Total outstanding due to micro enterprises and small enterprises	21	7.35	5.13	4.35
(b) Total outstanding due to creditors other than micro enterprises and small enterprises.		28.69	41.64	39.24
ii. Lease liabilities	7	0.88	0.86	-
iii. Other financial liabilities	22	4.83	2.04	2.28
Provisions	23	0.29	0.66	0.36
Other current liabilities	24	9.27	5.00	6.24
		85.71	96.45	73.00
Total liabilities		86.74	288.17	182.91
Total equity and liabilities		158.76	155.74	139.96

Corporate information and summary of significant accounting policies (refer note 1, 2 & 3)
The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For **M S K A & Associates**
Chartered Accountants
Firm Registration No.: 105047W

Amrisha Vaidya
Partner
Membership no.: 101739
Place: Mumbai
Date: 11th May, 2023



For and on Behalf of Board of Directors of
Bewakoof Brands Private Limited
CIN: U74999MH2011PTC220994

Prabhkirandeep Singh
Wholetime Director
DIN: 03579034
Place: Bengaluru
Date: 11th May, 2023

Aditi Pai
Chief Financial Officer
Membership no: 161405
Place: Mumbai
Date: 11th May, 2023



Manish Singhai
Nominee Director
DIN: 09657669
Place: Bengaluru
Date: 11th May, 2023

Navjot Nagure
Company Secretary
Membership no: ACS 68464
Place: Bengaluru
Date: 11th May, 2023

Bewakoof Brands Private Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

	Notes	March 31, 2023	March 31, 2022
Income			
Revenue from operations	25	147.07	160.19
Other income	26	82.36	50.23
Total income (I)		229.43	210.42
Expenses			
Cost of materials consumed	27	44.00	60.01
Purchases of Stock in Trade	28	32.17	39.30
Increase in inventories of traded goods	29	9.44	(11.91)
Employee benefits expense	30	59.01	40.13
Depreciation and amortization expenses	31	4.00	2.75
Finance costs	32	7.64	3.42
Other expenses	33	85.52	106.83
Total expenses (II)		241.78	240.53
Profit/(Loss) before tax (III = I-II)		(12.35)	(30.11)
Tax expenses			
Current tax		-	-
Tax in respect of earlier years		-	0.00
Deferred tax charge		0.39	-
Total tax expenses (IV)		0.39	0.00
Profit/(Loss) for the year (V = III-IV)		(12.74)	(30.11)
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss:		-	-
Re-measurement gains on defined benefit plans		(0.05)	(0.03)
Income tax effect on above		-	-
Other comprehensive income/(loss) for the year, net of tax (VI)		(0.05)	(0.03)
Total comprehensive income/(loss) for the year, net of tax attributable to equity holders (VII = V+VI)		(12.79)	(30.14)
Earnings per equity share			
Basic			
Equity shares, Nominal value of Rs 10 each		(1,876.14)	(9,831.05)
Diluted			
Equity shares, Nominal value of Rs 10 each		(1,876.14)	(8,755.10)

Corporate information and summary of significant accounting policies (refer note 1, 2 & 3)
The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amrisha Vaidya
Partner
Membership no.: 101739
Place: Mumbai
Date: 11th May, 2023



For and on Behalf of Board of Directors of
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Navjot Nagure
Company Secretary
Membership no: ACS 68464
Place: Bengaluru
Date: 11th May, 2023

Bewakoof Brands Private Limited
Standalone Cash flow statement for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

	Notes	March 31, 2023	March 31, 2022
Operating activities			
Profit/(Loss) before tax		(12.35)	(30.11)
Adjustments to reconcile profit/(loss) before tax to net cash flows:			
Depreciation of property, plant and equipment		2.78	1.92
Amortisation of intangible assets		0.40	0.41
Depreciation of right-of-use-assets		0.79	0.39
Depreciation on investment property		0.03	0.03
Provision for Doubtful debts		(2.49)	0.59
Share based payments expenses(equity settled- ESOP)		17.08	3.70
Fair value gain on investments measured at FVTPL		(0.26)	(0.07)
Fair valuation gain on remeasurement of liability measured at FVTPL		(81.65)	(48.94)
Re-measurement gains on defined benefit plans		(0.05)	(0.03)
Net gain on derecognition of financial assets measured at FVTPL		-	(0.04)
Interest income		(0.26)	(0.29)
Finance costs		7.64	3.42
Unwinding of notional interest on security deposits		(0.02)	(0.01)
Operating cash flow before working capital changes		(68.36)	(69.03)
Movement in working capital:			
Increase in trade receivables		(5.70)	(2.55)
Decrease/(increase) in other financial assets		14.63	(14.04)
Increase in trade payables		(10.73)	3.18
Decrease in financial liabilities		2.78	(0.23)
Increase in provisions		(1.21)	0.99
Decrease/ (Increase) in inventories		15.27	0.70
Decrease in other liabilities		4.27	(1.24)
Increase in other current assets		(3.92)	(14.02)
		(52.97)	(96.24)
Income tax paid		(0.54)	(0.38)
Net cash flow from operating activities (A)		(53.51)	(96.62)
Investing activities			
(Purchase)/ sale of property, plant and equipment, including payable for capital goods			
		(0.35)	3.60
Purchase of intangible assets, including payable for capital goods		-	(0.32)
Purchase of investment (mutual funds)		0.00	(2.81)
Investment in Term Deposit		(0.10)	(0.91)
Net cash flow (used in) investing activities (B)		(0.45)	(0.44)
Financing activities			
Proceeds from issuance of equity and preference shares (net)		94.58	71.92
Proceeds from borrowings		(8.59)	14.43
Payment of principal portion of lease liabilities		(0.76)	(0.25)
Finance cost on lease liabilities		(0.15)	(0.09)
Finance cost other than lease liabilities		(7.48)	(3.35)
Interest received		0.29	0.29
Net cash flows from/(used in) financing activities (C)		77.89	82.95
Net increase in cash and cash equivalents (A+B+C)		23.93	(14.11)
Cash and cash equivalents at the beginning of the year		10.44	24.55
Cash and cash equivalents at the end of the year		34.37	10.44
Components of cash and cash equivalents			
Balance with banks	13		
- on current accounts		34.37	10.42
- cash on hand #		0.00	0.02
Total cash and cash equivalents		34.37	10.44

Cash on hand is appearing NIL for the current period as it is below the rounding off criteria. Actual cash on hand in absolute terms is Rs 21,321.



Bewakoof Brands Private Limited
Standalone Cash flow statement for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

	Opening balance	Cash flows	Non- cash movement	Closing balance
March 31, 2023				
Borrowings- CCPS	187.23	7.83	(195.06)	-
Lease liabilities (including interest)	2.13	(0.91)	0.15	1.37
Total liabilities from financing activities	189.36	6.92	(194.91)	1.37
March 31, 2022				
Borrowings- CCPS	101.21	71.92	14.10	187.23
Leases	-	(0.34)	2.47	2.13
Total liabilities from financing activities	101.21	71.58	16.57	189.36

The standalone cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

Corporate information and summary of significant accounting policies (refer note 1, 2 & 3)
The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.: 105047W

Amrisha Vaidya
Amrisha Vaidya
Partner
Membership no.: 101739
Place: Mumbai
Date: 11th May, 2023



For and on Behalf of Board of Directors of
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Navjot Nagure
Navjot Nagure
Company Secretary
Membership no: ACS 68464
Place: Bengaluru
Date: 11th May, 2023

Bewakoof Brands Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

a) Equity share capital

(i) Equity shares of Rs 10 each issued, subscribed and fully paid

As at April 01, 2021

Issued during the year

As at March 31, 2022

Issued during the year

Issued in lieu of conversion of CCPS

As at March 31, 2023

b) Instruments entirely in the nature of equity

As at April 01, 2021

0.001% Series Seed Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed II Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed III Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series A Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Total

Less: Reclassified to liability at transition date

0.001% Series Seed Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed II Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed III Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series A Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Total

As at 01 April 2021 post reclassification

Increase during the year

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A3 Compulsory Convertible Preference Shares of Rs. 100 each partly paid-up to Rs. 5 each

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Series B Compulsory Convertible Preference Shares of Rs. 10 each fully paid-up

Total

Less: Reclassified to liability during the year

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A3 Compulsory Convertible Preference Shares of Rs. 100 each partly paid-up to Rs. 5 each

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Series B Compulsory Convertible Preference Shares of Rs. 10 each fully paid-up

Total

As at 31 March 2022

Increase during the year

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Total

Less: Reclassified to liability during the year

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Total

Add: Reclassified as Equity during the year

0.001% Series Seed Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed II Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed III Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series A Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A3 Compulsory Convertible Preference Shares of Rs. 100 each partly paid-up to Rs. 5 each

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Series B Compulsory Convertible Preference Shares of Rs. 10 each fully paid-up

Total

Less: Converted to Equity shares of Rs 10 each fully paid up

0.001% Series Seed Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed II Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series Seed III Compulsory Convertible Preference Shares of Rs. 15 each fully paid-up

0.001% Series A Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A1 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A2 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

0.001% Series A3 Compulsory Convertible Preference Shares of Rs. 100 each partly paid-up to Rs. 5 each

0.001% Series A4 Compulsory Convertible Preference Shares of Rs. 100 each fully paid-up

Series B Compulsory Convertible Preference Shares of Rs. 10 each fully paid-up

Total

As at 31 March 2023

No of shares	Amount
30,623	0.03
10	0.00
30,633	0.03
9,820	0.01
27,456	0.03
67,909	0.04

No of shares	Amount
1,957	0.00
1,620	0.00
2,343	0.00
4,801	0.05
522	0.01
4,115	0.04
15,358	0.10
1,957	0.00
1,620	0.00
756	0.00
4,801	0.05
261	0.00
4,115	0.04
13,510	0.10
1,848	0.00

869	0.01
4,163	0.04
421	0.00
4,800	0.05
6,60,29,836	66.03
6,60,41,987	66.13

869	0.01
4,163	0.04
421	0.00
4,800	0.05
6,31,12,563	63.11
6,31,22,816	63.21
29,19,171	2.92

1,010	0.01
29,20,181	2.93

1,010	0.01
29,19,171	2.92

1,957	0.00
1,620	0.00
756	0.00
4,801	0.05
1,130	0.01
8,278	0.08
421	0.00
5,810	0.06
6,31,12,563	63.11
6,60,56,507	66.24

1,957	0.00
1,620	0.00
2,343	0.00
4,801	0.05
1,391	0.01
8,278	0.08
421	0.00
5,810	0.06
6,60,29,886	66.03
6,60,56,507	66.24
-	-

Note (i) In respect of Compulsorily Convertible Preference shares ('CCPS'), certain CCPS holders of the Company, in terms of the shareholders agreement, had exit rights including requiring the Company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, CCPS are classified as liability at fair value as at April 01, 2021, March 31, 2022 and the change in fair value of liability has been recognized as an expense in the statement of profit and loss. Consequent to the share transfers as on 15th Feb 2023, the exit rights of the CCPS ceased to exist thereby discharging the company from the buyback liability. Accordingly, the CCPS which was classified as liability has been reclassified back to equity.

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Bewakoof Brands Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

c) Other equity

	Attributable to equity holders of the Company				Total equity
	Retained earnings (Note 19)	Securities premium (Note 19)	Deemed equity contribution**	Employee Stock Option Reserve (Note 19)	
As At April 1, 2021	(57.02)	11.46	0.33	2.24	(42.99)
Loss for the year	(30.11)	-	-	-	(30.11)
Other comprehensive income/(loss)*	(0.03)	-	-	-	(0.03)
Total comprehensive income/(loss)	(87.16)	11.46	0.33	2.24	(73.13)
Add: Share based payment expenses (Refer note 42)	-	-	-	3.70	3.70
Less: Transferred to liability on account of CCPS reclassification	-	(71.75)	-	-	(71.75)
Less: Utilised for issue of bonus shares	-	(66.03)	-	-	(66.03)
Add: Premium received on issue of equity shares	-	71.82	-	-	71.82
Add: equity component of cumulative convertible preference share	-	-	-	-	-
As at March 31, 2022	(87.16)	(54.50)	0.33	5.94	(135.39)
Profit for the year	(12.74)	-	-	-	(12.74)
Other comprehensive income/(loss)*	(0.05)	-	-	-	(0.05)
Total comprehensive income/(loss)	(12.79)	-	-	-	(12.79)
Add: Premium towards CCPS on reclassification from liability to equity	-	116.31	-	-	116.31
Add: Premium received on issue of CCPS	-	(7.82)	-	-	(7.82)
Add: Premium received on issue of equity shares	-	94.56	-	-	94.56
Add: Share based payment expenses	-	-	-	17.08	17.08
Less: Transferred to retained earnings on cancellation of the ESOP scheme	23.02	-	-	(23.02)	-
Add: Deemed shareholder contribution transferred**	0.33	-	(0.33)	-	-
As at March 31, 2023	(76.60)	148.55	-	-	71.95

*Remeasurement losses on defined benefit plans charged through OCI is shown as part of retained earnings

** This is created on fair valuation of interest free loan taken from shareholders.

Corporate information and summary of significant accounting policies (refer note 1, 2 & 3)
The accompanying notes are an integral part of the Standalone financial statements

As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.: 101047W

Amrith Vaidya
Partner
Membership no.: 101739
Place: Mumbai
Date: 11th May, 2023



For and on Behalf of Board of Directors of
Bewakoof Brands Private Limited
CIN: U74999MH2011PTC220994

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Wholtime Director
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Place: Bengaluru
Date: 11th May, 2023

Navjot Nagure
Company Secretary
Membership no: ACS 68464
Place: Bengaluru
Date: 11th May, 2023



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023****1. Corporate information**

Bewakoof Brands Private Limited ('the Company') is a Company incorporated in India on 16th August 2011 and deals in Apparel and lifestyle accessories. Registered office and manufacturing facilities of the Company are situated at Thane.

On February 15, 2023, Aditya Birla Digital Fashion Ventures Limited ("ABDFVL") acquired a controlling stake in Bewakoof Brands Private Limited ("BBPL"). ABDFVL is a wholly owned subsidiary of Aditya Birla Fashion & Retail Limited ("ABFRL") which is listed on BSE and NSE.

The standalone financial statements have been approved by the Board of Directors in their meeting held on May 11, 2023.

2. Significant accounting policies**2.1 Basis of preparation**

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), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The financial statements have been prepared on accrual basis under the historical cost convention, except the following assets and liabilities, which have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments);
- Defined employee benefit plans; and
- Share-based payment.

The financial statements of the Company for all the periods up to and including the year ended March 31, 2022, were prepared in accordance with the accounting standards notified under section 133 of the Companies Act 2013 ("the Act"), read together with Companies (Accounting Standards) Rules, 2006 (as amended) and Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP) (as amended). These financial statements for the year ended March 31, 2023, are the first financial statement prepared and presented by the Company in accordance with Ind AS. Refer note 45 for information on first time adoption of Ind AS.

The Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013 and the amendments are applicable for financial periods commencing from April 1, 2021. The Company has evaluated the effect of the amendments on its financial statements and complied with the same.

The financial statements have been prepared on the assumption that the Company is a going concern and will continue its operations for the foreseeable future. The assessment of meeting the obligations in foreseeable future is based on its business plans.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million).

2.3 New and amended standards adopted by the Company

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.



2.4 Summary of significant accounting policies

(I) Current versus non-current classification

The Company presents assets and liabilities in the Standalone Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalents 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 treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified 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 realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

II) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Company is identified as the Chief Operating Decision Maker ("CODM"), CODM evaluates the performance of the Company based on the single operative segment for the purpose of allocation resources and evaluating financial performance. The Company operates in a single business segment i.e., apparels and Lifestyle accessories and single geographic location having activities within India, hence disclosure of segment information as per Ind AS 108 - operating segments is not applicable

The Company is domiciled in India. Most of the revenue comes from India. There are no material assets held by the Company outside India.

III) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries and joint ventures) at fair value at each standalone 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:

- (a) In the principal market for the asset or liability; or
- (b) 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 best economic interest.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

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 the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on its nature, characteristics, and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(IV) Foreign currenciesTransactions and balances:

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Standalone Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone Statement of Profit and Loss.

(V) Revenue from contracts with customers

Revenue from contracts with customers is recognized upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognize revenues when a performance obligation is satisfied.

Revenue from sale of products

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

Goods and Service Tax (GST) is not received by the Company in its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them the unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (return asset) if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part, or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities as required under Ind AS 115 in the financial statements.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Consideration allocated to reward points is deferred and recognized when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognized as they are rendered based on agreements/ arrangements with the concerned parties, and recognized net of goods and services tax/ applicable taxes.

Revenue from sale of services in respect of Commission and service income towards providing customer support service, advertising and marketing, supply chain management, technological and fulfillment services for facilitating sales of other brands on the portal is recognized on delivery of the product. In such transactions, significant risk and rewards are retained by the supplier and therefore only commission and service income are recognized by the Company.

Revenue from sale of services in respect of Cash collection charges is recognized in the accounting period in which the services are rendered.

Revenue from sale of services in respect of membership fees is recognized proportionately over the period of membership fees.

Interest income

Interest income on all debt instruments is measured at amortised cost. Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest income is included in other income in the Standalone Statement of Profit and Loss.



Bewakoof Brands Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

(VI) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur in the Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(VII) Taxes

Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India.

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year 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 date.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income Tax Act, 1961) over normal income-tax is recognized as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of 15 succeeding assessment years.

(VIII) Property, plant, and equipment

The cost of an item of property, plant and equipment shall be 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.

Property, plant, and equipment is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost includes borrowing costs for long-term construction projects if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when 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. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to the Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

An item of Property, Plant and Equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognized in the Statement of Profit and Loss.

Transition to Ind AS

The cost property, plant and equipment at April 2, 2021, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

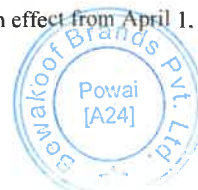
Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used. The Company has used the following useful lives to provide depreciation on its tangible fixed assets:

Asset	Management's estimate of useful life in years	Useful life as per Schedule II in years
Plant and machinery	15	15
Furniture and fixtures	7	10
Vehicle	5	8
Office Equipment	5	5
Computers (including servers)	4	Computers: 3; Servers: 6
Electrical Equipment	4	10

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Estimates in respect of following assets were changed with effect from April 1, 2022:



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

Asset	Management's estimate of useful life in years (prior to April 1, 2021)	Management's estimate of useful life in years (w.e.f April 1, 2021)
Furniture and fixtures	10	7
Vehicle	10	5
Computers (including servers)	3	4
Electrical Equipment	10	4

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

(IX) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Standalone Statement of Profit and Loss, in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. 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 and changes if any, made on prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Amortisation methods and periods

A summary of amortisation policies applied to the Company's intangible assets is as below:

Intangible assets	Useful life	Amortisation method used
Computer software	3 years	Amortised on straight-line basis

(VIII) Investment Property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation on building component of investment property is calculated on a straight-line basis based on the useful life estimated by the management. The Company has considered useful life for the depreciation as 60 years (The useful life estimate of 60 years is based on the indicative useful life of relevant type of buildings mentioned in Part C of Schedule II to the Act i.e., 60 years.)

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment properties measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties.

(X) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal/ external factors. An impairment loss, if any, is charged to the Standalone Statement of Profit and Loss in the year in which an asset is identified as impaired. An asset's recoverable amount is higher of an asset's or cash-generating unit's (CGUs) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rates, that reflects current market assessment of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. 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 Company's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Standalone Statement of Profit and Loss.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually as at reporting date. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Standalone Statement of Profit and Loss. Reversal of impairment losses except on goodwill is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(XI) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

Where the Company is the lessee**Right-of-use assets**

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Where the Company is the Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

(XII) 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.



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Notes to the standalone financial statements for the year ended March 31, 2023

Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

Financial assets (excluding trade receivables which do not contain a significant financing component) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Standalone Statement of Profit and Loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace is recognised on the trade date.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. 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 effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL).

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iv) Equity investments

Investment in Subsidiaries are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

The Company applies simplified approach of expected credit loss model for recognizing impairment loss on trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.



Bewakoof Brands Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognize an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries and its carrying value, and then recognised the impairment loss in the standalone statement of profit and loss.

(b) Non derivative financial liabilities

(i) Classification as debt or equity

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

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(2) Compound financial instruments:

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.



Bewakoof Brands Private Limited

Notes to the standalone financial statements for the year ended March 31, 2023

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortized over the period of facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the Company does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognizing foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

De-recognition of financial assets and financial liabilities

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.



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On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss, if such gain or loss would have otherwise been recognised in the Standalone Statement of Profit and Loss on disposal of that financial asset.

On de-recognition of a financial asset other than in its entirety the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss, if such gain or loss would have otherwise been recognised in the Standalone Statement of Profit and Loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognizes financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(XIII) Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(XIV) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(XV) Inventories

Raw materials, components, stores, and spares, and packing materials are valued at lower of cost or net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realizable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost.



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Notes to the standalone financial statements for the year ended March 31, 2023

Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

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

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(XVI) Provisions and contingent liabilities

The amount recognised 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. When a provision is measured using the cash flows estimated to settle the present obligation, it carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which 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 (Refer Note 40)

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(XVII) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund, which is recognized in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company contributes to a gratuity fund maintained by an independent insurance company. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognized in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. Accumulated compensated absences, which are expected to be encashed beyond twelve months from the end of the year are treated as long term employee benefits. Liability for such benefit is provided on the basis of actual leave balance as at the Balance Sheet date. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

(XVIII) Share-based payment

Employees of the Company receive remuneration in the form of equity-settled instruments for rendering services over a defined vesting period. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Standalone Statement of Profit and Loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled share options outstanding account.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(XIX) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(XX) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the



Bewakoof Brands Private Limited**Notes to the standalone financial statements for the year ended March 31, 2023**

period is adjusted for events such as bonus issue, bonus element in a rights issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(XXI) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3. Standards issues but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- a) Ind AS 1 - Presentation of Financial Statements
- b) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- c) Ind AS 12 - Income Taxes

The above amendments are not likely to have any material impact on the financial statements of the Company for the current or future reporting period.



4. Property, plant and equipment ('PPE')

A Reconciliation of carrying amount	Computer	Electrical Equipments	Leasehold Improvements	Furniture and fixtures	Office equipment	Plant and machinery	Vehicle	Total
Gross Block								
Deemed Cost								
As at April 01, 2021	0.18	1.28	0.74	2.31	0.68	13.63	0.14	18.96
Additions	0.12	0.84	0.09	0.08	0.11	6.72	-	7.96
Disposals	(0.01)	(0.27)	(0.17)	(0.62)	(0.20)	(10.29)	-	(11.56)
As at March 31, 2022	0.28	1.85	0.66	1.77	0.59	10.06	0.14	15.36
Additions	0.02	0.06	-	0.02	-	0.25	-	0.35
Disposals	-	-	-	-	-	0.00	-	0.00
As at March 31, 2023	0.30	1.91	0.66	1.79	0.59	10.30	0.14	15.71
Accumulated Depreciation								
As at April 01, 2021	-	-	-	-	-	-	-	-
Charge for the year	0.05	0.18	0.36	0.24	0.20	0.87	0.02	1.92
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2022	0.05	0.18	0.36	0.24	0.20	0.87	0.02	1.92
Charge for the year	0.10	1.06	0.24	0.41	0.19	0.72	0.07	2.79
Disposals	-	-	-	-	-	-	-	-
As at March 31, 2023	0.16	1.24	0.59	0.65	0.39	1.59	0.09	4.71
Net book value								
As at April 01, 2021	0.18	1.28	0.74	2.31	0.68	13.63	0.14	18.96
As at March 31, 2022	0.23	1.67	0.40	1.53	0.40	9.19	0.12	13.44
As at March 31, 2023	0.14	0.67	0.07	1.14	0.21	8.72	0.06	11.00

Note:

a) For property, plant and equipment existing as on the date of transition to Ind-AS, i.e., April 01, 2021, the Company has used previous GAAP carrying value as deemed cost. Information regarding gross block of assets, accumulated depreciation has been disclosed by the Company separately as follows:

	Computer	Electrical Equipments	Leasehold Improvements	Furniture and fixtures	Office equipment	Plant and machinery	Vehicle	Total
Gross block of asset	0.53	1.96	3.61	3.38	1.52	17.00	0.18	28.18
Accumulated depreciation	0.35	0.68	2.87	1.07	0.84	3.37	0.04	9.22
Net book value as per previous GAAP/Deemed cost	0.18	1.28	0.74	2.31	0.68	13.63	0.14	18.96

B Change in estimates

During the period, there has been a change in estimate in useful life of certain class of assets. The details of change in useful estimate and corresponding impact in actual and expected depreciation expense is as follows

a. Changes in Useful life	
Class of Assets	Revised estimated useful life
Computer & Hardware	4
Furniture & Fixtures	7
Electricals Fittings	4
Vehicles	5

The above table represents the change in useful life of the assets. The company for all the assets have changed the assumption of salvage value from 5% to NIL. This will have an increase in the depreciation for the year as well.

b. Impact in depreciation expense

Particulars	For 31 March 2023
Impact in depreciation	1.17



Bewakoof Brands Private Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

5. Investment property

Investment property (Valued at cost less accumulated depreciation)

Cost of Flat given on rentals

Less: Accumulated depreciation

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Cost of Flat given on rentals	1.80	1.80	1.88
Less: Accumulated depreciation	(0.06)	(0.03)	(0.08)
	1.74	1.77	1.80

A Reconciliation of carrying amount

Gross Block

Deemed Cost

As at April 01, 2021

Additions

Disposals

As at March 31, 2022

Additions

Disposals

As at March 31, 2023

	Land and Building	Total
As at April 01, 2021	1.80	1.80
Additions	-	-
Disposals	-	-
As at March 31, 2022	1.80	1.80
Additions	-	-
Disposals	-	-
As at March 31, 2023	1.80	1.80

Accumulated Depreciation

As at April 01, 2021

Charge for the year

Disposals

As at March 31, 2022

Charge for the year

Disposals

As at March 31, 2023

As at April 01, 2021	-	-
Charge for the year	(0.03)	(0.03)
Disposals	-	-
As at March 31, 2022	(0.03)	(0.03)
Charge for the year	(0.03)	(0.03)
Disposals	-	-
As at March 31, 2023	(0.06)	(0.06)

Net book value

As at April 01, 2021

As at March 31, 2022

As at March 31, 2023

As at April 01, 2021	1.80	1.80
As at March 31, 2022	1.77	1.77
As at March 31, 2023	1.74	1.74

B Amounts recognised in Profit and Loss

Rental income recognised by the Company during the year ended 31 March 2023 was INR 0.03 crores (0.01 crores in 31 March, 2022) and was included in 'Miscellaneous Income' (see Note 26). Repairs and maintenance expense, included in 'other expenses' (see Note 33), was as follows.

Particulars	For 31 March 2023	For 31 March 2022
Rental Income	0.03	0.01
Repairs and Maintenance	0.01	0.01

C Fair Value of Investment Property

The fair value of investment property was determined based upon the stamp duty valuation through the stamp duty ready reckoner site referred for Thane municipal corporation is Rs 1.96 crores as on 31st March 2023, 31st March 2022 and 1st April 2021.



Bewakoof Brands Private Limited**Notes to the Standalone Financial Statements for the year ended March 31, 2023***(All amounts in Rs crores, except as otherwise stated)***6. Intangible assets****A. Reconciliation of carrying amount**

	Computer Software
Deemed Cost	
As at April 01, 2021	0.71
Additions	0.32
Disposals	-
As at March 31, 2022	1.03
Additions	-
Disposals	-
As at March 31, 2023	1.03
Accumulated Amortisation	
As at April 01, 2021	-
Amortisation	0.41
Disposals	-
As at March 31, 2022	0.41
Amortisation	0.40
Disposals	-
As at March 31, 2023	0.81
Net book value	
As at April 01, 2021	0.71
As at March 31, 2022	0.62
As at March 31, 2023	0.22

Note:

a) For intangible assets existing as on the date of transition to Ind-AS, i.e., April 01, 2021, the Company has used previous GAAP carrying value as deemed cost. Information regarding gross block of assets, accumulated amortisation has been disclosed by the Company separately as follows:

Gross block	4.58
Accumulated amortisation	3.87
Net book value as per previous GAAP/Deemed cost	0.71

B. Change in estimates

There has been no change in the estimate of useful life of intangible assets. However the salvage value is considered as NIL leading to increase in depreciation for the year.

Particulars	For 31 March 2023
(Decrease) increase in depreciation expense	0.22

Computation of impact in the depreciation expense on account of change in the estimated useful life in Profit and Loss statement for the future years is not performed on account of complexities involved



7. Right-of-use assets and lease liabilities

(a) Company as a lessee

The Company has lease contracts for warehouses used in its operations. The lease term of the lease contracts are for a period of 3 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company has applied exemptions as per paragraph 6 of Ind AS 116 with respect to short term leases

(b) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Building
Cost	
As at April 01, 2021	-
Additions	2.43
Disposals	-
As at March 31, 2022	2.43
Additions	-
Disposals	-
As at March 31, 2023	2.43
Depreciation	
As at April 01, 2021	-
Charge for the year	0.39
Disposal	-
As at March 31, 2022	0.39
Charge for the year	0.79
Disposal	-
As at March 31, 2023	1.18
Net book value	
As at April 01, 2021	-
As at March 31, 2022	2.04
As at March 31, 2023	1.25

(c) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Carried at amortised cost	March 31, 2023	March 31, 2022	April 01, 2021
Non current			
Lease liabilities	0.50	1.27	-
Total non-current lease liabilities	0.50	1.27	-
Current			
Lease liabilities	0.88	0.86	-
Total current lease liabilities	0.88	0.86	-

(d) Following are the amounts recognised in Profit and loss account:

	March 31, 2023	March 31, 2022
Depreciation	(0.79)	(0.39)
Interest expense on lease liability	(0.15)	(0.09)
Rent expenses for short term lease (included in other expenses)	(4.06)	(5.82)
	(5.00)	(6.30)

(e) Impact on Statement of cash flow(increase/(decrease))

Lease payments (including interest portion)	0.90	0.34
	0.90	0.34
Payment of principal portion of lease liabilities	0.76	0.25
Payment of interest portion of lease liabilities	0.15	0.09
	0.91	0.34

(f) Movement in lease liabilities for year ended March 31, 2023 and March 31, 2022

	March 31, 2023	March 31, 2022
Balance at the beginning of the year	2.13	-
Add: Additions	-	2.38
Add: Interest	0.15	0.09
Less: Payment of lease liabilities	(0.91)	(0.34)
Balance at the end of the year	1.37	2.13

(g) The table below provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

	March 31, 2023	March 31, 2022	April 01, 2021
Less than one year	0.88	0.86	-
one to five years	0.50	1.27	-
more than five years	-	-	-
Total	1.38	2.13	-



Financial asset				March 31, 2023	March 31, 2022	April 01, 2021
8 Non-current Investments						
Investment in Equity instruments						
Investment in subsidiaries						
Unquoted: Carried at Cost						
Next Tree Products Private Limited				0.01	0.01	0.01
10,000 (Previous Year 10,000) Equity shares of face value Rs. 10 each				0.01	0.01	0.01
Ownership interest held by Company in %						
Name of entity	Nature	Country of incorporation	Date of acquisition	March 31, 2023	March 31, 2022	April 01, 2021
Next Tree Products Private Limited	Subsidiary	India	March 08, 2017	100.00%	100.00%	100.00%
Investment in Mutual funds						
<i>(valued at fair value)</i>						
Unquoted Mutual Funds						
SBI Mutual fund - Corporate Bond Fund Regular Plan Growth*				4.62	4.36	1.49
Total Unquoted investments				4.62	4.36	1.49
Aggregated amount of unquoted investments				4.63	4.37	1.50
*The above mutual fund units have been lien marked by SBI against credit facilities provided. Refer note 20 for details of credit facilities availed.						
Current						
<i>(valued at fair value)</i>						
Unquoted Mutual Funds						
HDFC Mutual fund - Liquid Direct Growth	27.93	27.93	0.15	0.01	0.01	0.00
SBI Mutual fund - Liquid Direct Growth	0.82	0.82	0.82	0.00	0.00	0.00
ICICI Mutual fund - Pru Liquid Direct Growth	1.88	1.88	1.88	0.00	0.00	0.00
ICICI Mutual Funds - Money Market Direct Growth	4.25	4.25	4.25	0.00	0.00	0.00
Kotak Money Market Fund	98.03	98.03	-	0.04	0.04	-
Total Unquoted investments	132.91	132.91	7.11	0.05	0.05	0.00
Total Investments				0.05	0.05	0.00
Aggregate value of unquoted investments				0.05	0.05	0.00
9 Other financial assets				March 31, 2023	March 31, 2022	April 01, 2021
<i>Carried at amortised cost</i>						
Non-current						
Security deposits				0.75	0.41	0.37
Bank deposits (due to mature after 12 months from the reporting date)				-	0.00	0.00
				0.75	0.41	0.37
Current						
Security deposits				-	0.65	0.42
Advance to employees				0.66	0.33	0.38
Advance to Subsidiary (Repayable on demand)				-	1.09	0.88
Receivable against fire insurance				-	13.57	-
Interest accrued on deposits				0.03	-	0.00
				0.69	15.64	1.68
10 Deferred tax assets(Net)						
Mat Credit Entitlement				-	0.39	0.39
				-	0.39	0.39
11 Inventories						
<i>(valued at lower of cost and net realizable value)</i>						
Raw Materials				6.44	11.06	11.68
Work-In-Progress				0.76	3.75	4.42
Finished Goods				10.55	12.99	12.44
Stock in trade				11.36	16.08	15.99
Stores and Spares				0.00	0.02	0.03
Other-Packing Materials				0.46	0.94	0.98
				29.57	44.84	45.54
In addition, inventories of finished goods have been reduced by Rs 1.15 crores (31 March, 2022: Rs Nil, 01 April, 2021: Rs 1.00 crore) as a result of the write-down to net realisable value.						
12 Trade receivables						
<i>Carried at amortised cost</i>						
Trade receivables				20.04	11.84	9.88
				20.04	11.84	9.88
Break-up for security details						
Trade receivables						
Unsecured, considered good				20.04	11.84	9.88
Trade receivables - credit impaired				1.77	4.26	3.68
				21.81	16.10	13.56
Provision for bad and doubtful debts						
Trade receivables - credit impaired				1.77	4.26	3.68
				1.77	4.26	3.68
Total Trade receivables				20.04	11.84	9.88
Amounts receivable from companies in which directors are interested						
Next Tree Products Private limited				4.96	6.44	6.27



11 Trade receivables (continued)

As at March, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		0-6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	8.95	11.00	0.03	0.05	0.01	-	20.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	1.60	-	-	0.10	0.07	1.77
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	8.95	12.60	0.03	0.05	0.11	0.07	21.81
Less: Provision for bad and doubtful debts	-	(1.60)	-	-	(0.10)	(0.07)	(1.77)
Total Trade receivables	8.95	11.00	0.03	0.05	0.01	-	20.04

As at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		0-6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	9.12	0.66	1.47	0.60	-	11.85
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	0.81	0.52	2.16	0.71	0.06	4.26
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	9.93	1.18	3.63	1.31	0.06	16.11
Less: Provision for bad and doubtful debts	-	(0.81)	(0.52)	(2.16)	(0.71)	(0.06)	(4.25)
Total Trade receivables	-	9.12	0.66	1.47	0.60	-	11.86

As at April 01, 2021

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		0-6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	6.65	3.23	-	-	-	9.88
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	0.79	1.47	1.31	0.11	-	3.68
Disputed Trade receivables – considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	7.44	4.70	1.31	0.11	-	13.56
Less: Provision for bad and doubtful debts	-	(0.79)	(1.47)	(1.31)	(0.11)	-	(3.68)
Total Trade receivables	-	6.65	3.23	-	-	-	9.88

- There are no non-current trade receivables as on March 31, 2023 (March 31, 2022 : Nil, April 01, 2021: Nil).
- Trade receivables are non-interest bearing and are generally on terms of 30-60 days.

Movement in Provision for bad and doubtful debts

	March 31, 2023	March 31, 2022
Opening balance	-	4.26
Add: Charge for the year	-	(2.49)
Less: Bad debts written off during the year	-	-
Closing balance	1.77	4.26

13 Cash and cash equivalents

	March 31, 2023	March 31, 2022	April 01, 2021
Cash and cash equivalents	-	-	-
Cash in hand*	0.00	0.02	0.00
Balance with banks	-	-	-
- on current accounts	34.37	10.42	24.55
	34.37	10.44	24.55

* Cash on hand is appearing Rs. NIL as it is below the rounding off criteria. Actual cash on hand in absolute terms is Rs. 21,321 (March 31, 2022 Rs. 152,803 and April 1, 2021 Rs. 11,429).

14 Bank balances other than cash and cash equivalents

Deposits with remaining maturity of more than three months but less than or equal to twelve months	1.51	1.41	0.53
Current maturities of deposits with original maturity of more than 12 months	3.26	3.26	3.23
	4.77	4.67	3.76

Note for Term Deposits : Held as lein by bank against term loan from Bank, Bank Guarantees and Corporate Credit Card.

15 Other assets

	March 31, 2023	March 31, 2022	April 01, 2021
Non-current			
Unsecured, considered good	-	0.06	-
Capital advances	43.49	38.33	27.03
Balance with statutory authorities	-	-	-
Total	43.49	38.39	27.03

Current

Balance with government authorities	-	0.02	0.05
Prepaid expenses	1.16	0.13	0.08
Advance to suppliers	2.85	5.13	1.76
Unbilled revenue	-	0.72	0.48
Other receivables	0.12	0.02	0.01
Right to return assets	1.00	0.29	1.27
	5.13	6.31	3.65

16 Non Current Tax Assets (Net)

	March 31, 2023	March 31, 2022	April 01, 2021
Advance Tax and TDS	1.48	0.94	0.31
Less :	-	-	-
Provision for Income Tax	(0.42)	(0.42)	(0.17)
Non Current Tax Assets (Net)	1.06	0.52	0.14



17 Share Capital

Equity share capital

a) Authorised share capital

Equity share capital of Rs 10 each

As at April 01, 2021
Increase during the year
As at March 31, 2022
Increase during the year
As at March 31, 2023

Numbers	Amount
40,000	0.04
-	-
40,000	0.04
37,276	0.04
77,276	0.08

b) Issued, subscribed and fully paid up Equity share capital

Equity share capital of Rs 10 each, fully paid up

As at April 01, 2021
Issued during the year
As at March 31, 2022
Issued during the year
Issued in lieu of conversion of CCPS
As at March 31, 2023

Numbers	Amount
30,623	0.03
10	0.00
30,633	0.03
9,820	0.01
27,456	0.03
67,909	0.07

c) Terms/rights attached to equity shares

The Company has one class of equity shares having face value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive such an amount of assets of the Company after distribution of all amounts as per provisions of the Companies Act, 2013.

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

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Equity shares of Rs 10 each, fully paid						
Siddharth Munot	-	-	9,182	29.97%	11,250	36.74%
Prabhkirandeep Singh	9,182	13.52%	9,182	29.97%	11,250	36.74%
Antti Corporate Services Ltd	-	-	4,033	13.17%	4,033	13.17%
Bewakoof Tribe Trust	-	-	1,992	6.50%	-	-
Aditya Birla Digital Fashion Ventures Limited	57,837	85.17%	-	-	-	-
	67,019	98.69%	14,189	79.62%	26,533	86.64%

e) Details of shares held by promoters:

Equity shares of Rs 10 each, fully paid

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Aditya Birla Digital Fashion Ventures Limited	-	57,837	57,837	85.17%	100.00%

As at March 31, 2022

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Prabhkirandeep Singh	11,250	2,068	9,182	29.97%	18.38%
Siddharth Munot	11,250	2,068	9,182	29.97%	18.38%

As at April 01, 2021

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Prabhkirandeep Singh	11,250	-	11,250	36.74%	-
Siddharth Munot	11,250	-	11,250	36.74%	-

f) Reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2023 and March 31, 2022 is set out below:

Particulars	March 31, 2023		March 31, 2022	
	Nos.	Amount	Nos.	Amount
As at the beginning of the year	30,633	0.03	30,623	0.03
Add: Shares issued during the year	9,820	0.01	10,000	0.00
Add: Shares issued in lieu of conversion of CCPS	27,456	0.03	-	-
As at the end of the year	67,909	0.07	30,633	0.03

g) Shares in respect of each class in the company held by its holding company in aggregate:

ii) Equity share capital of Rs 10 each

Particulars	Relation with the company	March 31, 2023		March 31, 2022	
		Nos.	Amount	Nos.	Amount
Aditya Birla Digital Fashion Ventures Limited	Holding Company	57,837	0.06	-	-
		57,837	0.06	-	-

h) Shares reserved for issue under options

For details of shares reserved for issue on conversion of Cumulative Compulsorily Convertible Preference Shares, (refer note - 18)

For details of shares reserved for issue under the employee stock option plan (ESOP) (refer note - 42)

i) During the year ended 31 March 2023, the company has issued series A4 Compulsorily Convertible Preference Shares each having nominal price of INR 100 per share and issue price of INR 77.535 per share, for consideration other than cash to Bigfoot Retail Solutions Private Limited. During the year ended 31 March 2022, the company has allotted 6,60,29,886 preference shares as fully paid up by way of bonus shares



18 Instrument entirely in the nature of equity

Compulsorily Convertible Preference shares

i) Authorised share capital

0.001% Compulsorily Convertible Preference Shares ("CCPS")

As at April 01, 2021

0.001% Compulsorily Convertible Preference Shares of Rs 15 each

0.001% Compulsorily Convertible Preference Shares of Rs 100 each

Increase during the year

0.001% Compulsorily Convertible Preference Shares of Rs 100 each

Series B Compulsorily Convertible Preference Shares of Rs 10 each

As at March 31, 2022

Increase during the year

As at March 31, 2023

ii) Issued, subscribed and fully paid up shares

As at April 01, 2021

0.001% Series Seed Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed II Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed III Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series A Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Total

Less: Reclassified to liability at transition date

0.001% Series Seed Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed II Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed III Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series A Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Total

As at 01 April 2021 post reclassification

Increase during the year

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A3 Compulsorily Convertible Preference Shares of Rs 100 each partly paid-up to Rs 5 each

0.001% Series A4 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Series B Compulsorily Convertible Preference Shares of Rs 10 each fully paid-up

Total

Less: Reclassified to liability during the year

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A3 Compulsorily Convertible Preference Shares of Rs 100 each partly paid-up to Rs 5 each

0.001% Series A4 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Series B Compulsorily Convertible Preference Shares of Rs 10 each fully paid-up

Total

As at 31 March 2022

Increase during the year

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Total

Less: Reclassified to liability during the year

0.001% Series A4 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Total

Add: Reclassified as Equity during the year

0.001% Series Seed Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed II Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed III Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series A Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A3 Compulsorily Convertible Preference Shares of Rs 100 each partly paid-up to Rs 5 each

0.001% Series A4 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Series B Compulsorily Convertible Preference Shares of Rs 10 each fully paid-up

Total

Less: Converted to Equity shares of Rs 10 each fully paid up

0.001% Series Seed Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed II Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series Seed III Compulsorily Convertible Preference Shares of Rs 15 each fully paid-up

0.001% Series A Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A1 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A2 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

0.001% Series A3 Compulsorily Convertible Preference Shares of Rs 100 each partly paid-up to Rs 5 each

0.001% Series A4 Compulsorily Convertible Preference Shares of Rs 100 each fully paid-up

Series B Compulsorily Convertible Preference Shares of Rs 10 each fully paid-up

Total

As at March 31, 2023

Numbers	Amount
10,000	0.02
11,000	0.11
21,000	0.13
11,377	0.11
6,60,29,886	66.03
6,60,62,163	66.27
6,60,62,163	66.27
1,957	0.00
1,620	0.00
2,343	0.00
4,801	0.05
522	0.01
4,115	0.04
15,358	0.10
1,957	0.00
1,620	0.00
756	0.00
4,801	0.05
261	0.00
4,115	0.04
13,510	0.09
1,848	0.01
869	0.01
4,163	0.04
421	0.00
4,800	0.05
6,60,29,886	66.03
6,60,41,987	66.14
869	0.01
4,163	0.04
421	0.00
4,800	0.05
6,31,12,563	63.11
6,31,22,816	63.21
29,19,171	2.93
1,010	0.01
29,20,181	2.94
1,010	0.01
29,19,171	2.93
1,957	0.00
1,620	0.00
756	0.00
4,801	0.05
1,130	0.01
8,278	0.08
421	0.00
5,810	0.06
6,31,12,563	63.11
6,60,56,507	66.24
1,957	0.00
1,620	0.00
2,343	0.00
4,801	0.05
1,391	0.01
8,278	0.08
421	0.00
5,810	0.06
6,60,29,886	66.03
6,60,56,507	66.24

Note (i): In respect of Compulsorily Convertible Preference shares ("CCPS"), certain CCPS holders of the Company, in terms of the shareholders agreement, had exit rights including requiring the Company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, CCPS are classified as liability at fair value as at April 01, 2021, March 31, 2022 and the change in fair value of liability has been recognized as an expense in the statement of profit and loss. Consequently to the share transfers as on 15th Feb 2023, the exit rights of the CCPS ceased to exist thereby discharging the company from the buyback liability. Accordingly, the CCPS which was classified as liability has been reclassified back to equity.



Instrument entirely in the nature of equity (continued)
(iii) Terms/rights attached to CCPS

The Company has issued Series Seed I, II, II Compulsory Convertible Preference Shares of Rs 15 each fully paid up, Series A, A1, A2, A4 Compulsory Convertible Preference Shares of Rs 100 each fully paid-up, Series A3 Compulsory Convertible Preference Shares of Rs 100 each partly paid-up to Rs 5 CCPS Series I, II, II, A, A1, A2, A3, A4 shares carry a minimum preferential dividend @ 0.001% p.a proportionately for the period for which the shares are being held and it shall be paid in preference to any dividend or distribution payable upon shares of any other class subject to the approval of shareholders in the General Meeting.

These CCPS Series I, II, II, A, A1, A2, A3, A4 are convertible into equity shares, at any time upon the request of the holder of CCPS or automatically at the end of their tenure, which is 20 years from the date of issue of each of such CCPS. CCPS are convertible into equity shares in the ratio of 1:1 subject to adjustments in respect of Anti-dilution, employee stock option pool and Liquidation Preference as provided in the Shareholders Agreement.

(iv) Details of shareholding more than 5% shares in the Company:
0.001% Series Seed Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Uniqom Ventures Fund	-	-	1,957	100%	1,957	100%
	-	-	1,957	100%	1,957	100%

0.001% Series Seed II Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Uniqom Ventures Fund	-	-	1,620	100%	1,620	100%
	-	-	1,620	100%	1,620	100%

0.001% Series Seed III Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Uniqom Ventures Fund	-	-	756	32.27%	756	32.27%
Rohit Bansal	-	-	605	25.82%	605	25.82%
Kunal Bahl	-	-	605	25.82%	605	25.82%
Nikhil Vora	-	-	92	12.89%	92	12.89%
	-	-	2,068	96.80%	2,068	96.80%

0.001% Series A Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Investcorp Private Equity Fund II	-	-	3,422	71.28%	3,422	71.28%
Pratibha Investment Trust	-	-	430	8.96%	430	8.96%
Krishna Simhaon Trust	-	-	257	5.35%	257	5.35%
	-	-	4,109	85.59%	4,109	85.59%

0.001% Series A1 Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Aarti Corporate Services Limited	-	-	869	62.48%	-	0.00%
Pramak Consultants LLP	-	-	261	18.76%	261	50.00%
Pratibha Investment Trust	-	-	174	12.51%	174	33.33%
Indusedge Management Consultants Private Limited	-	-	87	6.25%	87	16.67%
	-	-	1,391	100.00%	522	100.00%

0.001% Series A2 Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
IvyCap Ventures Fund II	-	-	4,494	54.28%	4,115	100%
Investcorp Private Equity Fund II	-	-	2,810	33.95%	-	-
Srinivasa Marketing Capital Fund	-	-	974	11.77%	-	-
	-	-	8,278	100%	4,115	100%

0.001% Series A3 Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Srinivasa Marketing Capital Fund	-	-	421	100%	-	-
	-	-	421	100%	-	-

0.001% Series A4 Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
Investcorp Private Equity Fund II	-	-	976	20.33%	-	-
Aarti Corporate Services Limited	-	-	644	13.42%	-	-
Noorav Parekh	-	-	387	8.06%	-	-
Madhav Mirani	-	-	387	8.06%	-	-
Prabhakardeep Singh	-	-	-	-	-	-
Bisfoot Retail Solutions Private Limited	-	-	-	-	-	-
	-	-	2,394	49.87%	-	-

Series B Compulsory Convertible Preference Shares

	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	Holding %	Nos.	Holding %	Nos.	Holding %
IvyCap Ventures Trust Fund - II	-	-	2,42,70,270	36.76%	-	-
Investcorp Private Equity Fund II	-	-	2,01,82,956	30.57%	-	-
Aarti Corporate Services Limited	-	-	51,25,362	7.76%	-	-
Uniqom Ventures Fund	-	-	38,34,705	5.81%	-	-
Pratibha Investment Trust	-	-	31,62,392	5.40%	-	-
	-	-	5,69,78,685	86.30%	-	-



19 Other equity

Securities premium
Retained earnings
Employee stock option reserve
Deemed shareholder contribution

March 31, 2023	March 31, 2022	April 01, 2021
148.55	(54.50)	11.46
(76.60)	(87.16)	(57.02)
-	5.94	2.24
-	0.33	0.33
71.95	(135.39)	(42.99)

Securities premium
Opening Balance
Received during the year
Utilised during the year for issue of bonus shares (Compulsory convertible preference shares)
Less: Premium towards CCPS on classification from equity to liability
Add: Premium towards CCPS on re-classification from liability to equity and subsequent conversion
Closing balance

(54.50)	11.46	71.65
91.56	71.82	32.96
-	(66.03)	-
(7.82)	(71.75)	(93.15)
116.31	-	-
148.55	(54.50)	11.46

Retained earnings

Opening Balance
Add: Profit (loss) for the year
Employee stock option reserve reversal
Deemed Shareholders Contribution
Add: Other comprehensive income
Closing balance

(87.16)	(57.02)	(37.84)
(12.74)	(30.11)	(19.18)
23.02	-	-
0.33	-	-
(0.05)	(0.05)	-
(76.60)	(87.16)	(57.02)

Employee stock option outstanding

Opening Balance
Add: share based payment expense (refer note - 42)
Less: Transferred to retained earnings on cancellation of the ESOP scheme
Closing balance

5.94	2.24	0.92
17.08	3.70	1.32
(23.02)	-	-
-	5.94	2.24

Securities premium:

Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013. Securities premium created on issue of CCPS which are treated as liability as per the guidance under IndAS has been moved to borrowings (Compulsory convertible preference share) against being held as part of reserves as per the erstwhile IGAAP. Further, Series B CCPS were issued as bonus shares out of the securities premium balance during the year ended 31 March, 2022. Hence, the balance under securities premium on adoption of IndAS is reflected as a debit balance on account of different accounting treatment followed as part of IndAS.

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.

Employee stock option outstanding :

Employee stock option outstanding is used to recognise the fair value of equity-settled share based payment transactions with employees.

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Bewakoof Brands Private Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

20 Borrowings

Non Current

Secured

Term Loans
From Banks
From NBFC

Unsecured

Debentures

Term Loans

From Directors
From Shareholders
Compulsory convertible preference share

	March 31, 2023	March 31, 2022	April 01, 2021
Term Loans	0.03	1.70	2.88
From Banks	-	-	-
From NBFC	-	-	-
Debentures	-	-	5.00
Term Loans	-	0.09	0.08
From Directors	-	0.09	0.08
From Shareholders	-	187.23	101.21
Compulsory convertible preference share	0.03	189.11	109.25

Note:

Note (i): In respect of Compulsorily Convertible Preference shares ('CCPS'), certain CCPS holders of the Company, in terms of the shareholders agreement, had exit rights including requiring the Company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, CCPS are classified as liability at fair value as at April 01, 2021, March 31, 2022 and the change in fair value of liability has been recognized as an expense in the statement of profit and loss. Consequent to the share transfers as on 15th Feb 2023, the exit rights of the CCPS ceased to exist thereby discharging the company from the buyback liability. Accordingly, the CCPS which was classified as liability has been reclassified back to equity.

Current

Secured

From banks
Working Capital Loans repayable on demand
Current maturities of long-term borrowings

From NBFC

Working Capital Term loans
Current maturities of long-term borrowings

From other parties
Debentures

Unsecured

From shareholders

From NBFC

Working Capital Term loans

	March 31, 2023	March 31, 2022	April 01, 2021
From banks	0.00	15.31	16.29
Working Capital Loans repayable on demand	1.62	1.18	4.24
Current maturities of long-term borrowings	-	-	-
From NBFC	25.00	2.51	-
Working Capital Term loans	1.87	2.10	-
Current maturities of long-term borrowings	-	-	-
From other parties	4.98	19.58	-
Debentures	-	-	-
From shareholders	-	0.07	-
From NBFC	0.93	0.37	-
Working Capital Term loans	34.40	41.12	20.53

5A Nature of Security and Terms of repayment for Long term secured borrowing

Term Loan from a Bank, balance outstanding Rs. 0.03 Crores (31st March 2022: Rs. 0.04 Crores)

Terms and conditions of loans

The secured term loan from bank is secured against Vehicles with a carrying amount of Rs 0.06 Crores

Repayable in 65 equal monthly Installments starting from August 2019. Last Installment due in December 2024. Rate of Interest as at year end 9.40% p.a

5B Nature of Security and Terms of repayment for Short term secured borrowing

Working Capital Term Loan from a Bank, balance outstanding Rs 0.87 Crores (31st March 2022: Rs. 1.48 Crores)

Term Loan from a NBFC, balance outstanding Rs. 1.88 Crores (31st March 2022: Rs. 4.63 Crores)

The Working Capital Term Loan from a Bank & Term Loan from a NBFC is secured by charge on certain items of Plant & Machinery
Term Loan from a Bank, balance outstanding Rs. Nil (31st March 2022: Rs. 0.07 Crores)

Working Capital Term Loan from a Bank, balance outstanding Rs. 0.74 Crores (31st March 2022: Rs. 1.29 Crores)

The Working Capital Term Loan from a Bank is secured by charge on certain items of Plant & Machinery with a carrying amount of Rs 8.71
Non Convertible Debentures of Rs 10,00,000 each fully paid up, balance outstanding Rs. Nil (31st March 2022: 10 Crores)
Above Non Convertible Debentures are secured by hypothecation of current assets of the Group.

Non Convertible Debentures of Rs 25,000 each fully paid up, balance outstanding Rs. 4.98 Crores (31st March 2022: 9.58 Crores)
Above Non Convertible Debentures are secured by hypothecation of current assets of the Group

Repayable in 36 equally monthly installments starting from August 2021. Last Installment due in February 2024. Rate of Interest as at year ended 31 March 2023, 9.25% p.a

Repayable in 24 equal monthly Installments starting from January 2022. Last Installment due in December 2023. Rate of Interest as at year end 14.00% p.a

Repaid in April 2022. Rate of Interest as at year end 8.10% p.a

Repayable in 36 equal monthly Installments starting from November 2021. Last Installment due in November 2024. Rate of Interest as at year end 9.25% p.a

Repayable during FY 2022-23 in 3 Tranches. Rate of Interest as at year end 18.00% p.a

Repayable from daily revenue collection over a course of 12 months from issuance of each tranche of debentures



Bewakoof Brands Private Limited
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(All amounts in Rs crores, except as otherwise stated)

Working Capital Term Loan from Aditya Birla Finance Limited,
balance outstanding Rs. 25 Crores (31st March 2022 Nil)

Repayable as a bullet repayment on or before 17 April 2023 or any other method as
agreed with the lender.
Rate of Interest as at year end 11.00% p.a.

Above Working Capital Term Loan are secured by hypothecation of current assets of the Group
Mr. Prabhkirandeep Singh had pledged 4,424 equity shares in the Group as a security condition to financing.

Terms and conditions of loans

Mr. Prabhkirandeep Singh and Mr. Siddharth Munot have issued personal guarantees to one bank and one NBFC in respect of term loans and working capital loan sanctioned by such bank.

5C Terms of repayment for Long term unsecured borrowing

Loan from Director, balance outstanding Rs. Nil (31st March 2022:

Rs. 0.26 Crores)

Loan from Shareholder, balance outstanding Rs. Nil (31st March

2022: Rs 0.25 Crores)

Interest free loan which is repayable on demand

Interest free loan which is repayable on demand

5D Terms of repayment for short term unsecured borrowing

Loan from a NBFC, balance outstanding Nil, (31st March 2022: Nil)

Loan from a NBFC, balance outstanding Rs 0.04 Crores, (31st March
2022: Nil)

Loan from a NBFC, balance outstanding Rs 0.14 Crores, (31st March
2022: Nil)

Loan from a NBFC, balance outstanding Rs 0.42 Crores, (31st March
2022: Nil)

Loan from a NBFC, balance outstanding Rs. 0.33 Crores (31st March
2022: Rs 0.37 Crores)

Loan from Chief Financial Officer, balance outstanding Rs. NIL (31st
March 2022: NIL)

Repayable on the basis of 12.5% of monthly revenue collection until the repayment
of the disbursed amount. Rate of interest - NIL
Repayable on the basis of 11.76% of daily revenue collection until the repayment of
the disbursed amount.
Repayable on the basis of 4.3% of monthly revenue collection until the repayment
of the disbursed amount.
Repayable on the basis of 6.5% of daily revenue collection until the repayment of
the disbursed amount.
Repayable within 60 days from each tranche of drawdown. Rate of Interest as at
year end 15.00% p.a.
Repayable as a bullet repayment within 365 days from date of disbursement of the
loan.

5E Instalments falling due within a year in respect of all the above loans aggregating Rs. 1.62 Crores (31st March 2022: Rs. 1.18 Crores) have been grouped under 'Current maturities of long-term borrowings'

Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Current assets

Inventories

Financial assets

i. Investments

ii. Trade receivables

iii. Cash and cash equivalents

iv. Bank balances other than cash and cash equivalents

v. Other financial assets

Other current assets

Total Current assets pledged as security

Non-Current assets

Property, plant and equipment

Total Non-Current assets pledged as security

Total Assets pledged as security

	March 31, 2023	March 31, 2022
Inventories	29.57	44.84
Financial assets		
i. Investments	0.05	0.05
ii. Trade receivables	20.04	11.84
iii. Cash and cash equivalents	34.37	10.44
iv. Bank balances other than cash and cash equivalents	4.77	4.67
v. Other financial assets	0.69	15.64
Other current assets	5.13	6.31
Total Current assets pledged as security	94.62	93.79
Non-Current assets		
Property, plant and equipment	9.44	10.99
Total Non-Current assets pledged as security	9.44	10.99
Total Assets pledged as security	104.06	104.78

21 Trade payables

Carried at amortised cost

Total outstanding dues of micro enterprises and small enterprises

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

There are no non-current trade payables as on March 31, 2022 (March

	March 31, 2023	March 31, 2022	April 01, 2021
Total outstanding dues of micro enterprises and small enterprises	7.35	5.13	4.35
Total outstanding dues of creditors other than micro enterprises and small enterprises	28.69	41.64	39.24
	36.04	46.77	43.59

The amount due to Micro, small and medium enterprise as per the

Particulars	March 31, 2023	March 31, 2022	April 01, 2021
(i) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.81	4.70	3.98
(ii) Interest due thereon to suppliers registered under the MSMED Act and remaining unpaid as at year end	1.55	0.43	0.37
(iii) Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	7.35	5.13	4.35
(iv) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-
(v) The Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of each accounting year	0.92	0.62	0.17
(vii) The Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	0.62	0.17	0.15

The above disclosures are provided by the Company based on the information available with the Company in
respect of the registration status of its vendors/ suppliers.

(a) Trade payables are non-interest bearing and are generally settled up to 60 days

(b) For explanations on the Company's credit risk management processes, refer to Note 44.

(c) Trade payables outstanding for following periods from the date of transaction) ageing schedule:



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	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023							
(i) MSME	0.81	4.69	1.77	0.02	0.04	0.02	7.35
(ii) Others	13.87	5.31	8.03	0.92	0.34	0.22	28.69
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	14.68	10.00	9.80	0.94	0.38	0.24	36.04
As at March 31, 2022							
(i) MSME	-	-	5.13	-	-	-	5.13
(ii) Others	9.77	15.11	15.76	0.31	0.33	0.36	41.64
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	9.77	15.11	20.89	0.31	0.33	0.36	46.77
As at April 01, 2021							
(i) MSME	-	-	4.35	-	-	-	4.35
(ii) Others	18.77	12.93	7.15	0.40	-	-	39.24
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	18.77	12.93	11.50	0.40	-	-	43.59

22 Other financial liabilities

Current

Carried at amortised cost

Creditors for capital expenditure	0.13	0.22	0.08
Employee Benefits Payable	4.54	1.70	2.07
Other payable	0.04	0.02	0.01
Interest accrued but not due on borrowings	0.12	0.10	0.12
	4.83	2.04	2.28

March 31, 2023	March 31, 2022	April 01, 2021
0.13	0.22	0.08
4.54	1.70	2.07
0.04	0.02	0.01
0.12	0.10	0.12
4.83	2.04	2.28

23 Provisions

Non-current

Provision for Gratuity (Refer Note 37)	0.31	-	-
Provision for Leave benefits	0.18	1.34	0.66
	0.50	1.34	0.66

March 31, 2023	March 31, 2022	April 01, 2021
0.31	-	-
0.18	1.34	0.66
0.50	1.34	0.66

Current

Provision for Gratuity	0.10	0.17	0.08
Provision for Leave benefits	0.19	0.49	0.28
	0.29	0.66	0.36

0.10	0.17	0.08
0.19	0.49	0.28
0.29	0.66	0.36

24 Other liabilities

Current

Revenue received in advance	-	0.28	0.40
Statutory dues payable	4.62	1.21	0.76
Advance from customers	2.60	2.88	2.52
Provision for Promotional wallet	0.03	0.06	0.02
Refund Liability	2.02	0.57	2.54
	9.27	5.00	6.24

-	0.28	0.40
4.62	1.21	0.76
2.60	2.88	2.52
0.03	0.06	0.02
2.02	0.57	2.54
9.27	5.00	6.24



Bewakoof Brands Private Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)
25 Revenue from operations

	March 31, 2023	March 31, 2022
Disaggregation of revenue		
Sale of products	135.48	150.13
Sale of Services		
- Cash collection charges	1.21	0.20
- Membership fees	0.95	1.51
- Commission and service income	9.39	8.28
	11.55	9.99
Other operating revenues		
Process waste sale	0.04	0.07
Revenue from contract with customers	147.07	160.19

(a) Right to return assets and refund liabilities:

	March 31, 2023	March 31, 2022	April 01, 2021
Right to return asset	1.00	0.29	1.27
Refund liabilities	2.02	0.57	2.54

23.2 Contract balances
a) Contract Assets

	March 31, 2023	March 31, 2022	April 01, 2021
Trade receivables	20.04	11.84	9.88
	20.04	11.84	9.88

b) Contract Liabilities

Advance received from customers	2.60	2.88	2.52
Deferred revenue	-	0.28	0.40
	2.60	3.16	2.92

23.3 Timing of revenue recognition

	March 31, 2023	March 31, 2022
Goods transferred at a point in time	135.52	150.20
Services transferred over the period of time	11.55	9.99
Revenue from contract with customers	147.07	160.19

23.4 Reconciling the amount of revenue recognised in the statement of profit and loss

	March 31, 2023	March 31, 2022
Revenue as per contracted price	421.79	438.09
Adjustments		
Discounts	272.70	277.33
Refund Liabilities	2.02	0.57
Revenue from contract with customers	147.07	160.19

23.5 Performance obligations and remaining performance obligations:

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or lesser.

26 Other income

	March 31, 2023	March 31, 2022
Interest income on:		
Bank deposit	0.26	0.29
Income Tax refund	0.02	0.00
On unwinding of notional interest on security deposits	0.02	0.01
Fair value gain on investments measured at FVTPL	0.26	0.07
Net gain on derecognition of financial assets measured at FVTPL	-	0.04
Fair valuation gain on remeasurement of liability measured at FVTPL	81.65	48.94
Liabilities no longer payable written back	-	0.66
Miscellaneous Income	0.15	0.22
	82.36	50.23

27 Cost of materials consumed

	March 31, 2023	March 31, 2022
Raw material		
Inventories at the beginning of the year	11.06	11.68
Add Purchases	36.15	60.77
Less: Inventory loss due to fire	-	4.67
Less: Inventory at the end of the year	6.44	11.06
	40.77	56.72
Packing material		
Inventories at the beginning of the year	0.94	0.98
Add Purchases	2.75	3.65
Less: Inventory loss due to fire	-	0.40
Less: Inventory at the end of the year	0.46	0.94
	3.23	3.29
	44.00	60.01



Bewakoof Brands Private Limited**Notes to the Standalone Financial Statements for the year ended March 31, 2023***(All amounts in Rs crores, except as otherwise stated)***28 Purchases of Stock in Trade**

Purchases (traded goods)

March 31, 2023	March 31, 2022
32.17	39.30
32.17	39.30

29 Increase in inventories of traded goodsInventories at the beginning of the year
Right to Return Asset

March 31, 2023	March 31, 2022
32.82	32.85
0.29	1.27
33.11	34.12

Inventories at the end of the year
Right to Return Asset
Inventory loss due to fire

22.67	32.82
1.00	0.29
-	12.92
23.67	46.03

(Increase) in inventories of traded goods

9.44	(11.91)
-------------	----------------

30 Employee benefits expenseSalaries, wages and bonus
Contribution to provident fund and other funds
Gratuity
Share based payments expenses(equity settled- ESOP)
Staff welfare expenses

March 31, 2023	March 31, 2022
40.55	34.63
0.51	0.68
0.20	0.19
17.08	3.70
0.67	0.93
59.01	40.13

31 Depreciation and amortisation expenseDepreciation of property, plant and equipment
Depreciation of right-of-use-assets
Depreciation on investment property
Amortisation of intangible assets

March 31, 2023	March 31, 2022
2.78	1.92
0.79	0.39
0.03	0.03
0.40	0.41
4.00	2.75

32 Finance costsInterest on
- Working Capital Loans
- Debentures
- Term Loans
- Lease liabilities
- Shareholders loan
Other Borrowing cost

March 31, 2023	March 31, 2022
1.81	1.53
2.74	0.92
1.58	0.66
0.15	0.09
0.31	0.02
1.05	0.20
7.64	3.42



Bewakoof Brands Private Limited**Notes to the Standalone Financial Statements for the year ended March 31, 2023***(All amounts in Rs crores, except as otherwise stated)***33 Other expenses**

	March 31, 2023	March 31, 2022
Power and Fuel	1.02	0.94
Contract Labour Expenses	5.92	9.08
Transportation charges	0.45	0.84
Communication expenses	0.19	0.14
Printing and stationary expense	0.08	0.03
Security and outsourcing service	1.01	0.75
Repairs to Machinery	0.32	0.27
Repairs to Building	0.05	-
Repairs - Others	0.01	0.02
Royalty	2.85	2.73
Rent	4.06	5.82
Rates and Taxes	2.25	1.57
Insurance Expenses	0.26	0.28
Freight And Forwarding	25.09	27.84
Commission Expense	3.64	3.50
Advertisement and Sales Promotion	27.96	33.69
Travelling and Conveyance	0.71	0.47
Legal and Professional Charges	2.53	1.76
Payment to Statutory Auditors	0.30	0.16
Information technology expenses	4.65	4.32
Provision for Doubtful debts	(2.49)	0.59
Provision for Doubtful advances	4.34	0.12
Net Loss on Foreign currency transaction and translation	0.01	0.01
Loss due to fire of Inventory and property, plant and equipment	-	11.42
Miscellaneous Expenses	0.31	0.48
	85.52	106.83

(i) Details of CSR Expenditure

Consequent to the requirements of section 135 and Schedule VII of the Companies Act, 2013 the Company is required to contribute 2% of its average net profits during the immediately three preceding financial years in pursuance of its Corporate Social Responsibility ('CSR') policy.

The Company has spent Nil (March 31, 2022: Nil) towards various schemes of corporate social responsibility as prescribed under Section 135 of the Companies Act, 2013, as approved by the Board of Directors.

34 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares

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 reflects the income and share data used in the basic and diluted EPS computations.

	March 31, 2023	March 31, 2022
Profit/(loss) after tax attributable to equity holders of the Company (a)	(12.74)	(30.11)
Equity shares of Rs 10 each	(12.74)	(30.11)
Weighted average number of shares outstanding during the year for basic EPS (b)		
Equity shares of Rs 10 each (refer note (a) below)	67,909	30,628
Weighted average number of shares outstanding during the year for diluted EPS (c)		
Equity shares of Rs 10 each (refer note (a) below)	67,909	34,392
Basic earnings/(loss) per share (in Rs) (a/b)		
Equity shares of Rs 10 each	(1,876.14)	(9,831.05)
Diluted earnings/(loss) per share (in Rs) (a/c)		
Equity shares of Rs 10 each	(1,876.14)	(8,755.10)
Equity share reconciliation for EPS		
Equity shares of Rs 10 each	67,909	30,628
Total considered for basic EPS	67,909	30,628
Add: ESOP options	-	1,915
Add: CCPS	-	1,849
Total considered for diluted EPS	67,909	34,392



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Bewakoof Brands Private Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

35 Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

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

(i) Revenue recognition – Cash back

The Company provides cash back points to customers on prepaid purchases, these points get accumulated for purchases made, which entitle the customers to discount on future purchases. The Company estimates the fair value of points awarded as cashback by applying statistical techniques. Inputs to the model include making assumptions about expected redemption rate basis the Company's historic trends of redemption for one year and expiry period of the points and such estimates are subject to uncertainty.

(ii) Provision on Right to return assets & Refund Liabilities

The Company provides for discount and sales return based on season wise, brand wise and channel wise trend of previous years. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(iii) Impairment allowance for doubtful debts

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Under Ind AS, impairment allowance has been determined based on Expected Credit Loss (ECL) model. Estimated irrecoverable amounts are based on the ageing of the receivable balance and historical experience. Additionally, a large number of minor receivables is grouped into homogeneous groups and assessed for impairment collectively. Additionally, wherever the sales are prepaid orders receivable either through payment aggregators or through market participants based upon their settlement cycle carry no potential credit risk and hence provisioning ECL not provided. Only for the sales made by through B2B channel assessed for credit loss provisioning.

(iv) Going concern

The management has performed an assessment of the Company's ability to continue as a going concern. Based on the assessment, the management believes that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on a going concern basis.



36 Related party disclosures

a) Names of related parties and description of relationships:

Name of Related party where control exists:

Aditya Birla Fashion Limited (wef 15th February, 2023)
 Aditya Birla Digital Fashion Ventures Limited (wef 15th February, 2023)
 Next Tree Products Private Limited
 Nomisma Mobile Solutions Private Limited (upto 14th February, 2023)
 Purple Panda Fashions Private Limited (upto 14th February, 2023)
 Aditya Birla Capital Limited (wef 15th February, 2023)

Nature of relationship
 Ultimate Holding Company
 Holding Company
 Subsidiary
 Companies with common control
 Companies with common control
 Companies with common control

Key management personnel (KMP)

Directors

Prabhkirandeep Singh
 Vikram Gupta (upto 14th February, 2023)
 Gaurav Sharma (upto 14th February, 2023)
 Prashanth Aluru (wef 15th February, 2023)
 Manish Singhai (wef 15th February, 2023)

Whole time Director
 Director
 Director
 Director
 Director

Other KMP

Aditi Pai

Chief Financial Officer

Entity in which KMP/relatives of KMP are interested

Technolism Ltd

Entity in which relative of KMP is interested

Other Parties

Siddharth Munot

Promoter

b) Transactions with related parties

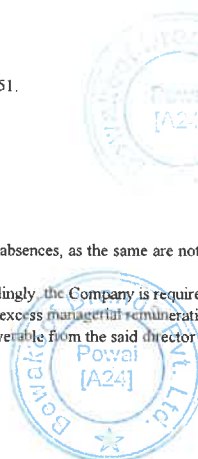
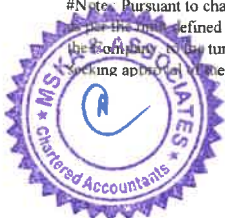
Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. Mr. Prabhkirandeep Singh and Mr. Siddharth Munot have issued personal guarantees to one bank in respect of term loans and working capital loan sanctioned by such bank.

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

Related Party	Nature of transactions	March 31, 2023	March 31, 2022
Next Tree Products Private Limited	Sale of Goods	1.89	1.73
	Sale of Services	8.40	-
	Recovery of expenses	0.05	0.22
	Trade receivables	4.96	6.44
	Short term loans and advances	-	1.09
Aditya Birla Digital Fashion Ventures	Equity Share Capital	0.06	-
	Securities Premium	86.75	-
	Interest Expense	0.12	-
	Interest Outstanding	0.11	-
Aditya Birla Fashion Limited	Trade receivables	0.00	0.00
* Trade receivables for the current year is appearing NIL as it is below the rounding off criteria. Actual amount in absolute terms is Rs 18,330.			
Aditya Birla Finance Limited	Loans Taken	25.00	-
	Interest Expense	0.79	-
	Processing Fees	0.15	-
	Loan Outstanding	25.00	-
	Prepayments	0.02	-
Nomisma Mobile Solutions Private Limited	Sale of Goods	0.00	-
	Trade receivables	0.00	-
* Sale of Goods and trade receivables for the current year is appearing NIL as it is below the rounding off criteria. Actual amount in absolute terms is Rs 41,034.			
Purple Panda Fashions Private Limited	Purchase of Goods	0.02	1.84
	Commission Charges	0.06	0.88
	Trade Payable	0.05	0.09
Director and KMP	Employee Benefit expense	10.16	1.56
	Sale of Goods	0.00	0.00
	Reimbursement of expenses	0.11	0.02
	Loan given	0.72	-
	Interest Expense	0.01	-
	Advance to Employee #	0.32	0.04
	Employee benefit payable \$	3.52	0.00
	Loan outstanding	-	0.26
* Sale of Goods is appearing NIL as it is below the rounding off criteria. Actual sale in absolute terms is Rs 32,000.			
\$ Employee benefit payable is appearing NIL as it is below the rounding off criteria. Actual sale in absolute terms is Rs 3,251.			
Siddharth Munot	Short Term borrowings	-	0.25
	Commission expense	0.11	-
Technolism Ltd	Marketing expenses	0.15	-
	Trade Payable	0.14	-

*This aforesaid amount does not include amount accrued in respect of performance Incentive, gratuity and compensated absences, as the same are not determinable for each employee separately. These are considered on payment basis.

#Notes: Pursuant to change in Control, the Company became a deemed public company w.e.f. 15th February 2023. Accordingly, the Company is required to pay managerial remuneration to their directors as per the limit defined in section 197 of the Companies Act, 2013 read with schedule V of the companies Act, 2013. The excess managerial remuneration paid to Mr. Prabhkirandeep Singh, a director in the Company, to the tune of INR 0.30 Crores, for the period from 15th February 2023 till 31st March 2023, is a sum recoverable from the said director within a period of two years. The Company is seeking approval of members by special resolution in the ensuing annual general meeting in regard to these payments.



37 Employee benefits plan

(i) Defined contribution plans - Provident Fund, ESI and labour welfare fund

The Company makes Provident Fund, Employee State Insurance Scheme and Welfare Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs 0.52 crores (March 31, 2022: Rs 0.69 crores) for Provident Fund contributions, Rs 0.01 crores (March 31, 2022: Rs 0.02 crores) for Employee's State Insurance and Rs 0.001 crores (March 31, 2022: Rs 0.001 crores) for Labour Welfare Fund in the statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined benefit plans :

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined using Projected Unit Credit Method at the end of each year. The Company's defined benefit plan is funded, the fair value of the plan assets is reduced from the gross obligation under the defined benefits plans, to recognise on net basis.

Gratuity is a defined benefit plan and company is exposed to the following risks:

Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity risk	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions made.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity pay-outs.

(i) The amounts recognized through Profit and Loss and other comprehensive income:

Particulars	March 31, 2023	March 31, 2022
<i>Gratuity cost charged to profit or loss</i>		
Current service cost	0.19	0.19
Net Interest expense	0.01	(0.00)
	0.20	0.19
<i>Gratuity cost charged to other comprehensive income</i>		
Due to Change in financial assumptions	0.05	(0.01)
Due to experience adjustments	(0.05)	0.04
Due to change in demographic assumption	(0.20)	-
Return on plan assets excluding amounts included in interest income	0.25	0.00
	0.05	0.03

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

Changes in the present value of defined benefit obligation:

	March 31, 2023	March 31, 2022
Changes in Present Value of the Obligation		
Opening Defined Benefit Obligation	0.45	0.37
Current Service cost	0.19	0.19
Interest cost	0.03	0.02
Actuarial (gain)/loss on account of		
Changes in demographic assumptions	(0.20)	-
Changes in financial assumptions	0.05	(0.01)
Experience adjustments	(0.05)	0.04
Benefits paid		
Benefit paid from fund	-	(0.04)
Benefit paid by company	(0.00)	(0.12)
Closing Defined Benefit Obligation	0.47	0.45
Changes in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	0.28	0.30
Interest Income	0.02	0.02
Return on plan assets excluding amounts included in interest income	(0.25)	(0.00)
Benefits paid	-	(0.04)
	0.05	0.28

Gratuity is funded through investments with an insurance service provider, i.e. Life Insurance Corporation of India (LIC). The plan assets under the scheme are administered by LIC. The investments are primarily in low risk assets.

Net defined benefit (asset)/liability

Fair Value of Plan Asset	(0.05)	(0.28)
Present Value of Defined Benefit Obligation	0.47	0.45
	0.42	0.17

Bifurcation of Net Liability

	March 31, 2023	March 31, 2022	April 01, 2021
Current	0.10	0.17	0.08
Non-current	0.31	-	-
	0.41	0.17	0.08



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(iv) The principal assumptions used in determining gratuity benefit obligations for the company's plans are shown below:

	March 31, 2023	March 31, 2022	April 01, 2021
Discount rate	7.20%	6.40%	6.05%
Salary Growth Rate	15.00%	7.00%	7.00%
Withdrawal Rates	52.00%	40.00% p.a. at younger ages reducing to 5.00 p.a% at older ages	40.00% p.a. at younger ages reducing to 5.00 p.a% at older ages
Normal retirement age	58 years	58 years	58 years
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

(v) A quantitative sensitivity analysis for significant assumptions are as shown below:

Sensitivity Level		March 31, 2023		March 31, 2022	
		Defined benefit obligation on increase/decrease in assumptions			
		Increase	Decrease	Increase	Decrease
Discount rate	0.5% increase / decrease	(0.01)	0.01	(0.01)	0.01
Salary Growth rate	0.5% increase / decrease	0.01	(0.01)	0.01	(0.01)
Withdrawal rate	Increase to 110% / decrease to 90%	(0.05)	0.03	(0.01)	0.01

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior year.

(vi) The following represents maturity profile for the defined benefit plan in future years :

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 1.9 years (March 31, 2022: 5.55 years). The expected maturity analysis of undiscounted gratuity is as follows:

	March 31, 2023	March 31, 2022	April 01, 2021
Within the next 12 months	0.19	0.09	0.09
Between 2 and 5 years	0.30	0.20	0.17
Beyond 5 years	0.05	0.17	0.11

38 Segment information

The Company operates in a single business segment i.e. apparels and Lifestyle accessories and single geographic location having activities with in India, hence disclosure of segment information as per Ind AS 108 - operating segments'

39 Capital Commitments

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Estimated amount of contracts remaining to be executed on capital accounts [net of Capital advances Rs. Nil (Year ended 31 March 2022, 6.28. 01 April 2021, Nil)] and not provided for	-	0.22	-

40 Other Commitments:

- (i) Differential Custom Duty under EPCG License 0.01 0.01 0.01
- (ii) The Company, Founder, Investors and Other Shareholders entered into a Shareholders' Agreement dated 22nd February 2022 ("SHA"). Pursuant to SHA, the Company shall indemnify and hold each of the Institutional Investors, their Affiliates and Representatives harmless on certain identified contingencies as per and to the extent of terms and conditions mentioned in the SHA.

41 Contingent liabilities

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(i) Claims against the Company not acknowledged as debts:	0.01	-	-
(a) Future cash flows relating to above are determinable only on the receipt of judgment decision from relevant forum authorities.			
(b) The Company does not expect any reimbursements in respect of the above contingent liabilities.			



42 Share based payments

Employee Share Option Plan (ESOP)

The company provides share-based payment schemes to its employees. The relevant details of the scheme and the grant are as below.

"Bewakoof Brands Private Limited - Employee Stock Option Plan 2015" (ESOP 2015): The Board vide its resolution dated July 1, 2015 approved ESOP 2015 for granting Employee Stock Options in the form of Equity Shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company monitored by the Board of Directors. The eligible employees, including directors, for the purpose of ESOP 2015 will be determined by the Board of Directors from time to time except for certain category of persons as specified in ESOP 2015, who will not be eligible for ESOP 2015. The holders of the vested options are entitled to apply for one equity share of the Company, in accordance with the terms of the grant.

The Board of the Company vide resolution dated 23 March 2023 took note of cancellation of all the outstanding stock options of the Company and terminated the ESOP 2015. Hence, the amount appearing in the ESOP reserve to the tune of INR 23.02 crores are transferred to retained earnings.

Class of Share
Ownership
Vesting Pattern

Equity Shares
Legal Ownership

Stock Options granted under the Plan shall vest within not less than one year and not more than four years from the Grant date. Vesting of Options would be subject to continued employment with the Company and in case of deputation to the Subsidiary Company(ies) and Holding Company, as the case may be the period of employment with the respective Company may also be considered at the discretion of the Board and thus the Option's would vest essentially on passage of time. In addition to this, the Board may also specify certain other parameters subject to satisfaction of which the Options would vest.

Exercise Price
Economic Benefits / Voting Rights

Exercisable at an exercise price of Rs 10 and Rs 33,289 per option.
The holder of the equity share shall become member of the Company and shall be entitled to all rights of a member including voting rights, receipt of dividend, etc. The holder shall, at all times, be bound by, and observe, the terms of the Articles of Association of the Company as an ordinary shareholder of the Company.

Movements during the year

The following are the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year:

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (Rs)	No. of options	WAEP (Rs)
Outstanding at the beginning of the year	4,399	1,553.19	2,205	3,088.88
Granted during the year	-	-	2,243	10.00
Forfeited during the year	(4,399)	(1,553.19)	(49)	10.00
Exercised during the year	-	-	-	-
Outstanding at the end of the year	-	-	4,399	1,553.19
Exercisable at the end of the year	-	-	1,378	4,936.65
Weighted Average Remaining Contractual Life	5.57 years			

The weighted average fair value of the options granted during the year is Rs Nil (March 31, 2022 - Rs 0.008 crores)

The expense recognised for employee services received during the year is shown in the following table:

Expense arising from equity-settled share-based payment transactions*	17.08	3.70
Total expense arising from share-based payment transactions	17.08	3.70

Pursuant to the notice as approved by the Board vide meeting dated 26th December 2022 and issued to past and present employees of the Company who held/hold stock options of the Company in respect of the treatment of the stock options held by them in the Company and the Bewakoof Brands Private Limited - Employee Stock Option Plan 2015, the Company takes note of the surrender or forfeiture or cancellation of all the outstanding stock options of the Company and subject to approval of the members of the Company, the consent of the Board of the Company is accorded to terminate the Bewakoof Brands Private Limited - Employee Stock Option Plan 2015 and Bewakoof Brands Private Limited - Employee Stock Option Plan 2021.

The Binomial valuation model has been used for computing the weighted average fair value considering the following inputs:

	March 31, 2023	March 31, 2022
Weighted average fair values at the measurement date	-	0.06
Dividend yield (%)	-	0.00%
Expected volatility (%)	-	47.82%
Risk-free interest rate (%)	-	6.34%
Expected life of the options (in years)	-	8.00
Weighted average share Price	-	1553.19



43 Financial instruments- accounting classification and fair value measurement

i) The carrying value of financial assets by categories is as follows:

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Measured at fair value through statement of profit and loss (FVTPL)			
Investment in mutual funds (Level 1)	4.67	4.41	1.49
Total financial assets measured at FVTPL	4.67	4.41	1.49
Measured at amortised cost			
Investment in equity instruments	0.01	0.01	0.01
Trade receivables	20.04	11.84	9.88
Cash and cash equivalents	34.37	10.44	24.55
Bank balance other than cash and cash equivalents	4.77	4.67	3.76
Other financial assets	1.44	16.05	2.05
Total financial assets measured at amortised cost	60.63	43.01	40.25
Total financial assets	65.30	47.42	41.74

ii) The carrying value of financial liabilities by categories is as follows:

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Measured at fair value through statement of profit and loss (FVTPL)			
Borrowings - CCPS (Level 3)	-	187.23	101.21
Total financial liabilities measured at FVTPL	-	187.23	101.21
Measured at amortised cost			
Borrowings	34.43	43.00	28.58
Other financial liabilities	4.83	2.04	2.28
Lease liabilities	1.38	2.13	-
Trade payables	36.04	46.77	43.59
Total financial liabilities measured at amortised cost	76.68	93.94	74.45
Total financial liabilities	76.68	281.17	175.64

iii) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant Unobservable inputs (Level 3)	Total
March 31, 2023				
Financial assets and liabilities measured at fair values				
Investment in mutual funds	4.67	-	-	4.67
Total financial asset measured at fair value	4.67	-	-	4.67
Borrowings - CCPS	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-
March 31, 2022				
Financial assets and liabilities measured at fair values				
Investment in mutual funds	4.41	-	-	4.41
Total financial asset measured at fair value	4.41	-	-	4.41
Borrowings - CCPS	-	-	187.23	187.23
Total financial liabilities measured at fair value	-	-	187.23	187.23
April 01, 2021				
Financial assets and liabilities measured at fair values				
Investment in mutual funds	1.49	-	-	1.49
Total financial asset measured at fair value	1.49	-	-	1.49
Borrowings - CCPS	-	-	101.21	101.21
Total financial liabilities measured at fair value	-	-	101.21	101.21



Bewakoof Brands Private Limited**Notes to the Standalone Financial Statements for the year ended March 31, 2023***(All amounts in Rs crores, except as otherwise stated)***Notes:**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 - Quoted prices (unadjusted) in an active market for identical assets or liabilities that the Company can assess at the measurement date
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Unobservable inputs for the assets or liabilities.

Fair value measurements that use inputs of different hierarchy levels are categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire

The management assessed that cash and cash equivalent, trade receivables, trade payables, other financial assets-others (current), other financial liability (current), and lease liabilities (current) approximates their fair value largely due to short-term maturities of these instruments.

The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate. Subsequently, these are carried at amortized cost. There is no significant change in fair value of such liabilities and assets.

Valuation techniques and significant unobservable inputs - Level 3**March 31, 2022**

Type	Valuation technique	Significant unobservable inputs	Sensitivity analysis
Borrowings - CCPS	Discounted cash flow method	Growth rate - 5% Cost of equity - 20.26%	Year on year Growth rate - increase/(decrease) in growth rate by 1% would result in increase/(decrease) in CCPS liability by Rs 1.87 crores / (Rs 1.87 crores). Cost of equity - increase/(decrease) in Cost of equity by 0.5% would result in (decrease)/increase in CCPS liability by (Rs 0.94 crores)/Rs 0.94 crores.

April 01, 2021

Type	Valuation technique	Significant unobservable inputs	Sensitivity analysis
Borrowings - CCPS	Discounted cash flow method	Growth rate - 5% Cost of equity - 20.26%	Year on year Growth rate - increase/(decrease) in growth rate by 1% would result in increase/(decrease) in CCPS liability by Rs 1.01 crores / (Rs 1.01 crores). Cost of equity - increase/(decrease) in Cost of equity by 0.5% would result in (decrease)/increase in CCPS liability by (Rs 0.51 crores)/Rs 0.51 crores.

Below is the reconciliation of fair value measurements categorised within level 3 of the fair value hierarchy

	Amount
Borrowings - CCPS	
April 01, 2021	101.21
Charge to profit and loss	(48.94)
Addition	134.96
March 31, 2022	187.23
Charge to profit and loss	(81.65)
Addition	7.83
Deletion	(113.42)
March 31, 2023	-

44 Financial risk management**Objective and policies**

The Company's principal financial liabilities comprise of borrowings, lease obligation, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, investments, trade and other receivables and cash and cash equivalents that is derived directly from its operations.

The Company's activities exposes it to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The Company reviews and agrees on policies for managing each of these risks which are summarised below:

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include investments, loans and borrowings, debt instrument, trade receivables, trade payables and lease liabilities.

i. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the company does not have any floating interest rate borrowings or deposits, it is not exposed to interest rate risk.

ii. Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign currency assets and liabilities. The Company's exposure to the risk of changes in foreign exchange rates arises on account of purchases from foreign countries. The Company has not taken any derivative instrument during the year and there is no derivative instrument outstanding as at the year end.

iii. Price risk

We invest our surplus funds in liquid mutual funds. We are exposed to market price risk arising from uncertainties about future values of the investment. We manage the equity price risk through investing surplus funds in liquid mutual funds on a short term basis.



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The Company's exposure in foreign currency at the end of reporting period :

Currency	Particulars	March 31, 2023		March 31, 2022		April 01, 2021	
		FC	Rs	FC	Rs	FC	Rs
USD	<u>Liability</u>						
	Trade Payables	-	-	0.00	0.00	0.00	0.11
	<u>Assets</u>						
	Trade receivables	-	-	-	-	(0.00)	(0.05)
	Net exposure on foreign currency risk	-	-	0.00	0.00	0.00	0.06
GBP	<u>Liability</u>						
	Trade Payables	0.00	0.13	-	-	-	-
	<u>Assets</u>						
	Trade receivables	-	-	-	-	-	-
	Net exposure on foreign currency risk	0.00	0.13	-	-	-	-

Sensitivity:

	Impact on profit before tax	
	March 31, 2023	March 31, 2022
USD		
Increases by 5%	-	(0.00)
Decreases by 5%	-	0.00
GBP		
Increases by 5%	(0.01)	-
Decreases by 5%	0.01	-

b) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments 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 investing activities (primarily deposits with banks and investment in mutual funds). Further, other significant assets for the Company include security deposits for leased assets.

The Company monitors the exposure to credit risk on an ongoing basis through ageing analysis and historical collection experience. Outstanding customer receivables are regularly monitored by the senior management.

Accordingly the Company considers the credit risk low.

The maximum credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet.

	March 31, 2023	March 31, 2022	April 01, 2021
Trade receivables	20.04	11.84	9.88
Security deposits	0.75	1.06	0.79
Investment in mutual funds	4.67	4.41	1.49
Other financial assets	0.66	14.99	1.26
Cash and cash equivalents	34.37	10.44	24.55
Bank balance other than cash and cash equivalents	4.77	4.67	3.76
	65.26	47.41	41.73

i) Trade receivables

Customer credit risk is managed by the Company subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. To manage this, the company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of trade receivable. The Company creates allowance for all trade receivables based on lifetime expected credit loss model (ECL). The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

The following table summarises the change in the loss allowance measured using ECL.

	March 31, 2023	March 31, 2022
Opening balance	4.26	3.67
Allowance made during the year (net)	(2.49)	0.59
Closing balance	1.77	4.26

ii) Other financial assets

Other financial assets includes security deposits, deposits with banks and other advances. Mutual funds, Cash and cash equivalents and Other bank balance are placed with a reputable financial institution with high credit ratings and no history of default.

c) 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 financing activities are managed centrally by maintaining an adequate level of cash and cash equivalents to finance the Company's operations. Typically the Company ensures that it has sufficient cash on demand to meet expected short term operational expenses. The Company manages its surplus funds centrally by placing them with reputable financial institution with high credit rating and no history of default.

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

Particulars	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
As at March 31, 2023					
Borrowings	0.00	34.40	0.03	-	34.43
Lease liabilities	-	0.92	0.55	-	1.47
Trade payables	-	36.04	-	-	36.04
Other financial liabilities	-	4.83	-	-	4.83
	0.00	76.19	0.58	-	76.77
As at March 31, 2022					
Borrowings	15.31	25.81	188.92	0.19	230.23
Lease liabilities	-	0.90	1.47	-	2.37
Trade payables	-	46.77	-	-	46.77
Other financial liabilities	-	2.04	-	-	2.04
	15.31	75.52	190.39	0.19	281.41
As at April 01, 2021					
Borrowings	16.29	4.24	109.09	0.17	129.79
Lease liabilities	-	0.34	2.37	-	2.71
Trade payables	-	43.59	-	-	43.59
Other financial liabilities	-	2.28	-	-	2.28
	16.29	50.45	111.46	0.17	178.37



45 First time adoption of Ind AS ('FTA')

A. First time adoption

These standalone financial statements, for the year ended March 31, 2023 are the first standalone financial statements, the Company has prepared in accordance with Ind AS. For periods up to and including the year ended March 31, 2022, the Company prepared its standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP").

Accordingly, the Company has prepared standalone financial statements which comply with Ind AS applicable for the year ended on March 31, 2023, together with the comparative period data as at and for the year ended March 31, 2022, as described in the summary of significant accounting policies. In preparing these standalone financial statements, the Company's opening balance sheet was prepared as at April 01, 2021, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP standalone financial statements, including the balance sheet as at April 01, 2021 and the standalone financial statements as at and for the year ended March 31, 2022.

B. Exemptions applied

Ind AS - 101 allows first-time adopters certain exemptions and certain optional exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions and optional exemptions:

Deemed cost for Property, plant and equipment and intangible assets

Ind AS - 101 permits a first-time adopter to elect to continue with the carrying value for all its property, plant and equipment as recognised in the Standalone Financial Statements as at the date of the transition to Ind AS, measured as per the Previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS - 38 'Intangible assets'.

Accordingly the Company has elected to measure all its property, plant and equipment and intangible assets at their previous GAAP carrying value.

The Company has made a transition to Ind AS 116 as per the transitional provisions of the AS. The Company has adopted modified retrospective approach wherein the PV of lease liability as on the date of transition is recognised as the lease liability. The Company adopted the 2nd model prescribed by Ind AS 116 wherein the value of Right to use assets are recognised equal to the value of discounted lease liabilities as on the date of transaction.

C. Mandatory Exceptions

Classification and measurement of financial assets

Ind AS - 101 requires a Company to assess classification and measurement of financial assets on the basis of facts and circumstances that exist at the date of transition to Ind AS. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the company has determined the classification of financial assets based on the facts and circumstances that exist on the date of transition.

Estimates

The Company estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2021, are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transitions as these were not required under previous GAAP:

• Impairment of financial assets based on expected credit loss method (Simplified approach).

D. Reconciliation of total equity between previous GAAP and Ind AS

1. Equity reconciliation

	Notes	March 31, 2022	April 01, 2021
Equity as reported under previous GAAP		56.37	61.28
Ind AS adjustments			
Fair valuation of Security deposits	a	0.01	-
Fair value of Investments	b	0.24	0.17
Reclassification of CCPS to Liability (Share capital + securities premium)	c	(228.21)	(93.25)
Fair valuation of CCPS liability carried at FVTPL	c	40.98	(7.96)
Share based Payment - Expense as per grant date fair valuation	d	(0.04)	(0.02)
Share based Payment - ESOP reserve	d	0.04	0.02
Fair valuation of interest free loans to shareholders	h	0.31	0.33
Amortisation of Borrowings as per EIR method	h	0.03	-
Prior period item - retrospective impact	i	-	-
Leases	e	(0.15)	-
Provision for Doubtful debts (ECL provisioning)	f	(2.04)	(3.53)
Deferred tax impact on the aforesaid adjustments	g	-	-
Equity as per Ind AS		(132.46)	(42.96)



2. Total comprehensive income reconciliation for the year ended March 31, 2022

	Notes	March 31, 2022
Profit/(loss) after tax as per previous GAAP		(80.51)
Ind AS adjustments		
Fair value adjustments:		
Security deposits	a	0.01
Investments at fair value through profit and loss account	b	0.07
Compulsorily Convertible Preference Shares (CCPS)	c	48.94
ESOP expenses	d	(0.02)
Leases	e	(0.15)
Prior period item	i	-
Fair value adjustment on borrowings	h	0.01
Provision for Doubtful debts (ECL provisioning)	j	1.49
Net Profit after tax as per Ind AS		(30.16)

3. Cash flow reconciliation for the year ended March 31, 2022

	As per previous GAAP	Ind AS adjustments	As per Ind AS
Net cash flows from operating activities	(95.94)	(0.68)	(96.62)
Net cash flows used in investing activities	(1.29)	0.85	(0.44)
Net cash flows from financing activities	82.40	0.55	82.95
Cash and cash equivalents at the beginning of the year	24.38	0.17	24.55
Cash and cash equivalents at the end of the year	9.55	0.89	10.44

E Notes to reconciliations between previous GAAP and Ind AS

a) Security deposits

Under previous GAAP, interest free security deposits are recognised at their transaction value. Under Ind AS - 109, these deposits are initially recognised at fair value and subsequently measured at amortised cost at the end of each reporting period. Accordingly, the difference between transaction value and fair value of these deposits is recognised as Right-of-use assets and is amortised over the period of the lease term or agreement of deposit respectively. Further, interest is accrued on the present value of these security deposits. On transition date the Company has adjusted retained earning towards fair value of security deposits by Rs nil and during the year March 31, 2022 the Company has further adjusted Rs 0.008 crores to retained earning towards increase in fair value of security deposit.

b) Investments

Under previous GAAP, the Company were carrying their current investments at the lower of carrying amount and face value. Under Ind AS, these investments are required to be measured at fair value. The resulting change in fair value is recognised in retained earnings at the date of transition i.e. April 01, 2021 and subsequently in the statement of profit and loss. The company has recorded a fair market value adjustment of Rs 0.17 crores to retained earnings as at April 01, 2021. In the year March 31, 2022 the company has accounted other income of Rs 0.07 crores on account of fair valuation of investments.

c) CCPS

Under the previous GAAP, Compulsorily convertible preference shares (CCPS) issued to the investors were classified as equity and carried at transaction value. In respect of CCPS, the CCPS holders of the Company, in terms of the shareholders agreement, had exit rights including requiring the Company to buy back shares held by them. Accordingly, on transition to Ind AS, since the redemption feature is conditional upon an event not under the control of the issuer, and may require entity to deliver cash, which issuer cannot avoid, CCPS are classified as liability at fair value as at April 01, 2021 and year ended March 31, 2022 and the change in fair value of liability i.e. difference between the fair value and the carrying amount as per previous GAAP is recognised in the retained earnings. The company has recorded a fair market value adjustment of Rs 7.96 crores to retained earnings as at April 01, 2021. In the year March 31, 2022 the company has further accounted a gain of Rs 48.94 crores on account of fair valuation of CCPS liability.

d) Share based payment

Under Indian GAAP accounting for Employee Share-based Payments, the cost of equity-settled transactions is measured using the intrinsic value method. Under Ind AS 102, the cost of equity-settled transactions is determined by the fair value at the date when the grant is made based on Black Scholes valuation determined by independent valuer.

e) Lease

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incidental to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Pursuant to application of Ind AS - 116, for operating leases other than those for which the Company has opted for short-term or low value exemption, the Company has recorded a right-of-use assets and lease liabilities. Right-of-use asset is amortised over the lease term or useful life of the leased assets whichever is lower and lease liabilities is subsequently measured at amortised cost and interest expense is recognised. As the Company has opted the modified retrospective approach (i.e., lease liabilities = ROU), the lease liability is measured at present value of the remaining lease payments as at the date of transition. Accordingly on adoption of Ind AS - 116, on transition date there is no impact against retained earning. In the year ended 31 March 2022, the company has recognised lease liability of Rs 2.11 crores, and ROU asset of Rs. 2.01 crores (including 0.05 crores of prepaid lease payments arising from fair valuation of interest free security deposits). Further the company recorded interest on lease liability of Rs 0.10 crores, depreciation of ROU asset of Rs 0.39 crores and a writeback of lease payments charged to expense under previous GAAP of Rs 0.34 crores.

f) Debtors provisioning as per Expected credit loss method

The company has followed simplified model using provisional matrix to assess the impact of expected credit loss on the outstanding balances under trade receivables. Under this method the Company uses its historical credit loss experience for trade receivables to estimate the 12-month expected credit losses or the lifetime expected credit losses on Trade receivable. For balances ageing greater than 365 days, the company has taken 100% provision.

g) Deferred Tax Liabilities

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind-AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP. In addition, the various transitional adjustments lead to temporary differences.

h) Borrowings measures using EIR

Ind AS requires financial liabilities to be classified at amortised cost and measured using the EIR method. Interest expenses will be charged to PL as per the EIR method. Processing fees will be amortized over the expected tenure of the related debentures.

i) Prior period items

Company shall correct material prior period errors retrospectively as on April 1, 2021.

F) Material regrouping

Appropriate adjustments have been made in these Standalone financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the Ind AS.



Bewakoof Brands Private Limited
Notes to the Standalone Financial Statements for the year ended March 31, 2023
(All amounts in Rs crores, except as otherwise stated)

46 Tax expense (net)

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

a) Statement of profit and loss

Profit or loss section

	March 31, 2023	March 31, 2022
Current income tax:		
Current tax	-	-
Tax in respect to earlier years	-	0.00
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Reversal of Mat Credit Entitlement	0.39	-
Total tax expense	0.39	0.00

b) Other comprehensive income/(loss)

Deferred tax related to items recognised in OCI during the year:

	March 31, 2023	March 31, 2022
Net loss/ (gain) on remeasurements of defined benefit plans	-	-
Tax (income) / expense charged to OCI	-	-

c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021:

	March 31, 2023	March 31, 2022
Accounting profit/ (loss) before income tax	(12.35)	(30.11)
Applicable India's statutory income tax rate	27.82%	27.82%
Computed tax charge/(credit)	(3.44)	(8.38)
Deferred tax asset not recognised in previous years	3.83	8.38
Income tax expense reported in the standalone statement of profit and loss	0.39	0.00

d) Deferred tax relates to the following:

	March 31, 2023	March 31, 2022	April 01, 2021
Deferred tax liability			
Investments	0.14	0.07	0.05
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	-	1.99	0.83
Fair valuation impact of CCPS	-	11.40	-
	0.14	13.46	0.88
Deferred Tax Asset			
Provision for bad & doubtful debts	0.49	1.19	1.02
Provision for gratuity	0.11	0.05	0.02
Provision for leave encashment	0.10	0.51	0.26
Brought forward losses and unabsorbed depreciation	0.53	20.90	12.37
Expense allowed for tax purpose when paid	0.11	0.13	0.13
Right of use asset, net of Lease liabilities	0.04	0.03	-
Notional interest income on security deposits	0.01	0.01	-
Fair valuation impact of CCPS	-	-	2.21
Impact of remeasurement of borrowings using EIR (Net)	-	0.01	-
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	0.48	-	-
	1.87	22.83	16.01
	(1.73)	(9.37)	(15.13)
Less: Deferred tax not recognised (Refer note (i) below)	1.73	9.37	15.13
Mat Credit Entitlement	-	(0.39)	(0.39)
Net deferred tax liability	-	(0.39)	(0.39)

Notes:

(i) No deferred tax asset has been recognised upto April 01, 2021 in the absence of reasonable certainty that sufficient future taxable income will be available in the foreseeable future against which such deferred tax can be utilized.

(ii) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.



Bewakoof Brands Private Limited**Notes to the Standalone Financial Statements for the year ended March 31, 2023***(All amounts in Rs crores, except as otherwise stated)***e) Reconciliation of deferred tax liabilities (net):**

	March 31, 2023	March 31, 2022
Opening balance as of April 01	(0.39)	(0.39)
Tax income/(expense) during the period		
- recognised in statement of profit and loss	0.39	-
- recognised in OCI	-	-
Closing balance as at March 31	-	(0.39)

f) Movement for the year ended March 31, 2023

	March 31, 2022	Recognised in statement of profit and loss	Recognised in OCI	March 31, 2023
Deferred tax liability	-	-	-	-
Deferred Tax Asset	-	-	-	-
Total	-	-	-	-
Mat Credit Entitlement	0.39	(0.39)	-	-
Net Deferred tax liability	(0.39)	-	-	-

g) Movement for the year ended March 31, 2022

	April 01, 2021	Recognised in statement of profit and loss	Recognised in OCI	March 31, 2022
Deferred tax liability	-	-	-	-
Deferred Tax Asset	-	-	-	-
Total	-	-	-	-
Deferred tax	-	-	-	-
Mat Credit Entitlement	0.39	-	-	0.39
Net Deferred tax liability	(0.39)	-	-	(0.39)



47 Capital Management

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.
The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.
The following table summarises the capital of the Company (debt excludes lease liabilities):

	March 31, 2023	March 31, 2022
Short-term debts (including current maturities of long-term borrowings)	34.40	41.12
Long-term debts	0.03	189.11
Total borrowings	34.43	230.23
Equity	72.02	(132.45)

48 Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance exceeding 25% as compared to the preceding period
Current ratio	Current Assets	Current Liabilities	1.10	0.97	14%	
Debt- Equity Ratio	Net debt = Total borrowings - Cash & Cash equivalents - Bank balances other than Cash & Cash equivalents - short term investments	Shareholder's Equity	(0.07)	(1.62)	-96%	During the current year, the Company raised capital which helped to repay debts and also maintain cash balance at the end of the year.
Debt Service Coverage Ratio [^]	Earnings for debt service = Net profit after taxes + Depreciation + Interest	Debt service = Interest & Principal Repayments (excluding lease liabilities)	(0.02)	(1.12)	-98%	Attributable to combined effect of decrease in loss and increase in principal and interest repayments as compared to last year
Return on Equity Ratio [*]	Net Profit after taxes - Preference Dividend	Average Shareholder's Equity	42%	34%	23%	
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	9.23	14.75	-37%	Movement attributable to increase in marketplace receivables and receivables from subsidiary
Trade Payable Turnover Ratio	Purchases	Average Trade Payables	1.72	2.30	-25%	Movement attributable to reduction in purchases and reduction in outstanding trade payables
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Average Working capital	16.52	(60.22)	-127%	Working capital of the Company has improved on account of surplus cash being available with the Company due to the capital infusion which is the major reason for the favorable movement of the ratio
Net Profit Ratio	Net Profit	Net sales = Total sales - sales return	-9%	-19%	-54%	In the previous year, due to fire incident the Company's net margin was impacted
Inventory Turnover Ratio	Sales	Average Inventory	3.95	3.54	12%	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	-4%	-27%	-84%	Movement attributable to the combined effect of reduction in losses in the current year, capital infusion in the current year and repayment of borrowings
Return on Investment	Earnings before interest and taxes	Average of opening and closing Total Assets	-3%	-18%	-83%	Movement attributable to the reduction in losses in the current year

49. Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) Relationship with struck off companies

The following table summarises the transactions with the Company struck off:

Name of struck off Company	Nature of transaction with struck off Company	Balance outstanding as at 31st March, 2023	Balance outstanding as at 31st March, 2022	Balance outstanding as at 01 April, 2021	Relationship with the struck off Company, if any
Elite Enterprises	Purchase of stock	0.02	0.05	NIL	Unrelated
Fashion Cottage Private Limited**	Purchase of stock	0.02	0.02	0.00	Unrelated
Concord Ventures	Interest expense	NIL	NIL	NIL	Unrelated
G Crew Media Private Limited	Marketing service vendor	NIL	0.05	NIL	Unrelated
Worldgate Express Lines International Private Limited	Professional service	NIL	0.00	0.00	Unrelated
Gee Impex [*]	Purchase of stock	0.00	0.00	NIL	Unrelated
Quest Logistics Private Limited [#]	Debit note raised against GST recovery (2A Reco)	0.00	0.03	0.03	Unrelated

^{*}Balances is appearing NIL in current period as it is below the rounding off criteria. Actual balance in absolute terms is Rs 10,554 (31st March 2022 is Rs 44,152).

[#]Balances is appearing NIL in current period as it is below the rounding off criteria. Actual balance in absolute terms is Rs 5,560.

^{**}Balances is appearing NIL in current period as it is below the rounding off criteria. Actual balance in absolute terms is Rs 37,828.

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

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

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

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

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

(viii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(ix) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(x) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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)

(xi) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xii) Title deeds of all immovable properties are held in the name of the Company.

(xiii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.




50. The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
51. The comparatives given in the Standalone financial statements have been compiled after making necessary Ind AS adjustments to the respective audited Standalone financial statements under Previous GAAP to give a true and fair view in accordance with Ind AS.

52. Events after the reporting period

The Company has evaluated subsequent events from the balance sheet date through the date at which the standalone financial statements were available to be issued and determined that there are no other material items / events other than those disclosed above.


As per our report of even date

For M S K A & Associates
Chartered Accountants
Firm Registration No.: 105047W



Amrish Vaidya
Partner
Membership no.: 101739
Place: Mumbai
Date: 11th May, 2023




For and on Behalf of Board of Directors of
Bewakoof Brands Private Limited
CIN: U74999MH2011PTC220994


Prabhkirandeep Singh
Wholetime Director
DIN: 03579034
Place: Bengaluru
Date: 11th May, 2023


Manish Singhai
Nominee Director
DIN: 09657669
Place: Bengaluru
Date: 11th May, 2023


Aditi Pai
Chief Financial Officer
Membership no: 161405
Place: Mumbai
Date: 11th May, 2023


Navjot Nagure
Company Secretary
Membership no: ACS 68464
Place: Bengaluru
Date: 11th May, 2023

