

# Price Waterhouse & Co Chartered Accountants LLP

## INDEPENDENT AUDITOR'S REPORT

To the Members of Aditya Birla Digital Fashion Ventures Limited

Report on the Audit of the Consolidated Financial Statements

### Opinion

1. We have audited the accompanying consolidated financial statements of Aditya Birla Digital Fashion Ventures Limited (hereinafter referred to as the "Holding Company") which includes the financial statements of its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its associate (refer Note 49 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2025 and consolidated total comprehensive income (comprising of loss and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

### Basis for Opinion

3. 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 Consolidated Financial Statements" section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraphs 14 and 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.



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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

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### Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Impairment assessment of goodwill and brands</b></p> <p>(Refer Note 5 to the Consolidated Financial Statements)</p> <p>The Group has recognised goodwill and brands with carrying value of Rs.131.56 crores and Rs.237.76 crores, respectively, as at March 31, 2025.</p> <p>The goodwill and brands were acquired in business combinations recorded in the current year as well as prior years and have been allocated to cash generating units (CGU) identified by the Group.</p> <p>In accordance with Ind AS 36 "Impairment of Assets", goodwill (including brands) acquired in a business combination is required to be tested for impairment annually.</p> <p>Management has performed impairment assessment for each of the CGUs to which goodwill and brands have been allocated by comparing the carrying amount of the CGU, including the goodwill and brands, with the recoverable amount of the CGU, which is higher of value in use and fair value less costs of disposal; and appointed independent external professional valuers (management's expert) to perform the valuation.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"><li>• Understood and evaluated the design and tested the operating effectiveness of the Holding Company's controls to assess impairment of goodwill and brands on an annual basis.</li><li>• Evaluated whether the CGUs were determined, and the goodwill and brands allocation were performed in accordance with the requirements of Ind AS 36 and our knowledge of the Group's operations.</li><li>• Evaluated the appropriateness of the methodology and model used by the management to determine the recoverable amount of the CGU.</li><li>• Evaluated the objectivity, competency, capability and independence of the management expert engaged by the Holding Company.</li><li>• Assessed the reasonableness of the cash flow projections by testing the key management assumptions and estimates used in the impairment analysis and evaluated the consistency of the cash flow projections with the budgets approved by the Board of Directors/management of the Holding Company on a periodic basis.</li><li>• Evaluated the sensitivity analysis performed by the management on the growth rates and discount rates to determine whether reasonable changes in these key assumptions would result in the carrying amounts of individual CGUs to exceed their recoverable amounts.</li></ul>



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### Key audit matter

Impairment assessment of goodwill and brands requires significant management judgement and estimates such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates. Given the judgement, subjectivity and sensitivity of key parameters to the changes in economic conditions, the impairment assessment of goodwill and brands is considered to be a key audit matter.

### How our audit addressed the key audit matter

- Involved auditors' valuation expert in assessing the appropriateness of the impairment model including independent assessment of assumptions underlying the cashflow projections, discount rate, long-term growth rate, terminal value, etc.
- Evaluated the adequacy of the disclosures made in the Consolidated Financial Statements.

### Other Information

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement, of this other information therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under relevant laws and regulations.

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting



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policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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 Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

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

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
  - a) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
  - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate 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 consolidated financial





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statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. 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.
13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

14. The financial statements of 4 subsidiaries (including step down subsidiary), reflect total assets of Rs 145.85 crores and net assets of Rs (6.12) crores as at March 31, 2025, total revenue of Rs. 273.11 crores, total comprehensive income (comprising of loss and other comprehensive loss) of (Rs 20.19 crores) and net cash flows amounting to Rs 6.24 crores for the year ended on that date, as considered in the consolidated financial statements. The financial statements of these subsidiaries have been audited by other auditors whose reports, have been furnished to us by the Holding Company's management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, is based on the reports of the other auditors and the procedures performed by us.



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15. The consolidated financial statements also include the Group's share of loss of Rs.17.57 crores and total comprehensive income (comprising of loss and other comprehensive loss) of (Rs.17.57 crores) for the year ended March 31, 2025 as considered in the consolidated financial statements, in respect of one associate whose financial statements have not been audited by us. The financial statements of this associate is unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid associate, is based on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, this financial statements/financial information are not material to the Group.
16. We were neither engaged to audit, nor have we audited the comparative figures for the consolidated financial statements for the corresponding period for the year ended March 31, 2024, and accordingly, we do not express any conclusion on the consolidated financial statements for the year ended March 31, 2024. As set out in Note 2.5 to the consolidated financial statements, these figures have been furnished by the Management.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements/financial information certified by the management.

### Report on Other Legal and Regulatory Requirements

17. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matters specified in paragraph 3(xxi) of CARO 2020.
18. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on daily basis on servers physically located in India during the year and the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian



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Accounting Standards specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and an associate incorporated in India, none of the directors of the Group companies and its associate incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 18(b) above on reporting under Section 143(3)(b) and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Rules.
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its associate. Refer Note 43 to the consolidated financial statements.
  - ii. The Group and its associate were not required to recognise a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group has made a provision as required under the Indian accounting standards for material foreseeable losses, if any, on derivative contracts as at March 31, 2025. The associate did not have any derivative contracts as at March 31, 2025.
  - iii. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and an associate incorporated in India.
  - iv. (a) The respective managements of the Holding Company and its subsidiaries and an associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their 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 Holding Company or any of such subsidiaries and an associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and an associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective managements of the Holding Company and its subsidiaries and an associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries and an associate from any person(s) or entity(ies),



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respectively that, to the best of their knowledge and belief, no funds have been received by the Company or any of such subsidiaries and an associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries and an associate shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

- v. The Holding Company and its subsidiaries has not declared or paid any dividend during the year.
- vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group has used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software and further, audit trail has been preserved by the Company as per the statutory requirements for record retention. During the course of our audit, other than the below mentioned instances where audit trail was not maintained the question of our commenting does not arise, we and the respective auditors of the above referred subsidiaries, did not notice any instance of the audit trail feature being tampered with:
  - a) In respect of the Holding company and one subsidiary incorporated in India, the accounting software and four other accounting softwares respectively which are operated by a third party software service provider, for maintaining its books of account and in the absence of adequate information in the service organization's auditor's reports, we are unable to comment whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of audit trail feature been tampered with, or whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.
  - b) In respect of two subsidiaries, the Company has used the accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which does not have the feature of recording audit trail (edit log) facility during the year for all the relevant transactions recorded in the software.





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- c) In respect of the one subsidiary, Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained for changes made through specific access at application level and for direct database changes. Further, during the course of our audit, we did not notice any instance of audit trail feature being tampered with in cases where the audit trail feature was enabled. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
19. Managerial remuneration of Rs. 4.98 crores paid by the Holding company to its whole time director is in excess of the limits specified in Section 197 read with Schedule V of the Act. The Holding company has obtained a special resolution from the shareholders at the Annual General Meeting with respect to the excess managerial remuneration paid/ payable. Refer Note 45 to the consolidated financial statements.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E300009



A.J. Shaikh  
Partner

Membership Number: 203637  
UDIN: 25203637BMKSJI4587

Place: Bengaluru  
Date: May 21, 2025

# Price Waterhouse & Co Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 18 (g) of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

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## Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Aditya Birla Digital Fashion Ventures Limited (hereinafter referred to as "the Holding Company") and its subsidiaries and its associate, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to Next Tree Products Private Limited, step-down subsidiary of the Holding Company. Also refer Note 15 to the Report on the Audit of Consolidated Financial Statements.

## Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiaries and its associate, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.



# Price Waterhouse & Co Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 18 (g) of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

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5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

### Meaning of Internal Financial Controls with reference to consolidated financial statements

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

### Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

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

### Opinion

8. In our opinion, the Holding Company, its subsidiaries and an associate which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.



# Price Waterhouse Chartered Accountants LLP

## Annexure A to Independent Auditor's Report

Referred to in paragraph 18 (g) of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

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## Other Matter

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 3 subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E300009



A.J. Shaikh  
Partner

Membership Number: 203637  
UDIN: 25203637BMKSJ14587

Place: Bengaluru  
Date: May 21, 2025



# Price Waterhouse & Co Chartered Accountants LLP

## Annexure B to Independent Auditors' Report

Referred to in paragraph 17 of the Independent Auditors' Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2025

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

Sl. No.	Name of the Company	CIN	Relationship with the Holding Company	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Aditya Birla Digital Fashion Ventures Limited	U74999MH2022PLC380326	Holding Company of the Group	May 21, 2025	-
2.	Styleverse Lifestyle Private Limited	U74999MH2022PLC380326	Subsidiary	May 09, 2025	(vii)(a)
3	Bewakoof Brands Private Limited	U74999MH2011PTC220994	Subsidiary	May 09, 2025	-
4	Pratyaya E-commerce Private Limited	U72900TG2014PTC096782	Subsidiary	May 09, 2025	-
5	Imperial Online Services Private Limited	U72200TG2012PTC081875	Subsidiary	May 09, 2025	-
6	Awesomefab Shopping Private Limited	U18109GJ2020PTC117460	Subsidiary	May 09, 2025	-
7	Next Tree Products Private Limited	U74999MH2017PTC292162	Step-down subsidiary	May 09, 2025	-

For Price Waterhouse & Co Chartered Accountants LLP  
Firm Registration Number: 304026E/ E300009

A.J. Shaikh  
Partner  
Membership Number: 203637  
UDIN: 25203637BMKSJ14587

Place: Bengaluru  
Date: May 21, 2025

	Notes	As at March 31, 2025	As at March 31, 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3a	23.65	16.63
(b) Capital work-in-progress	3b	0.57	0.08
(c) Right of use assets	4a	98.61	25.63
(d) Investment property	4c	1.68	1.70
(e) Goodwill	5	131.56	131.56
(f) Other intangible assets	5	237.76	267.23
(g) Financial assets			
(i) Investment in an associate	6	130.52	-
(ii) Security deposits	7	6.13	1.39
(iii) Other financial assets	8	29.50	-
(h) Deferred tax assets (net)	9	13.58	16.65
(i) Non current tax assets (net)	10	3.93	4.76
(j) Other non current assets	11	68.27	53.24
<b>Total - Non-current assets</b>		<b>745.76</b>	<b>518.87</b>
<b>Current assets</b>			
(a) Inventories	12	186.07	150.72
(b) Financial assets			
(i) Current investments	13	109.43	47.20
(ii) Security deposits	14	0.93	1.11
(iii) Trade receivables	15	205.47	224.53
(iv) Cash and cash equivalents	16	1.11	3.37
(v) Bank balance other than cash and cash equivalents	17	0.13	2.66
(vi) Other financial assets	18	0.50	0.14
(c) Other current assets	19	94.10	64.12
<b>Total - Current assets</b>		<b>597.74</b>	<b>493.85</b>
<b>TOTAL - ASSETS</b>		<b>1,343.50</b>	<b>1,012.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	20	500.00	500.00
(b) Other equity	21	(539.72)	(274.89)
<b>Total - EQUITY</b>		<b>(39.72)</b>	<b>225.11</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	22	586.74	152.02
(ii) Lease liabilities	4b	89.72	22.46
(iii) Other financial liabilities	23	170.54	150.81
(iv) Deferred tax liabilities	9	51.62	64.34
(c) Provisions	24	4.38	3.32
<b>Total - Non-current liabilities</b>		<b>903.00</b>	<b>392.95</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	25	-	68.12
(ii) Lease liabilities	4b	11.47	3.88
(iii) Trade payables	26		
Total outstanding dues to micro enterprises and small enterprises		32.19	18.99
Total outstanding dues of creditors other than micro enterprises and small enterprises		186.76	193.77
(iv) Other financial liabilities	27	21.01	30.66
(b) Provisions	28	3.36	3.66
(c) Other current liabilities	29	80.86	76.18
<b>Total - Current liabilities</b>		<b>480.22</b>	<b>394.66</b>
<b>TOTAL - LIABILITIES</b>		<b>1,383.22</b>	<b>787.61</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>		<b>1,343.50</b>	<b>1,012.72</b>

**Basis of preparation**

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Chartered Accountants  
ICAI Firm Registration No. 304026E/E300009

A. J. SHAIKH  
Partner  
Membership No.: 203637  
Place: Bengaluru  
Date: May 21, 2025

For and on behalf of the Board of Directors of  
Aditya Birla Digital Fashion Ventures Limited

PRASHANTH ALURU  
(Whole-time Director)  
Place: Bengaluru  
Date: May 21, 2025

ASHISH DIKSHIT  
(Director)  
Place: Delhi  
Date: May 21, 2025

SONIA BHANDARI  
(Company Secretary)  
Place: Mumbai  
Date: May 21, 2025

MANOJ FITKARIWALA  
(Chief Financial Officer)  
Place: Mumbai  
Date: May 21, 2025



Aditya Birla Digital Fashion Ventures Limited  
Consolidated Statement of Profit and Loss for the year ended March 31, 2025  
(All amounts in Rs. Crores unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from operations	<b>30</b>	650.71	421.09
Other income	31(a)	9.75	6.18
Other gain/ (loss) - Net	31(b)	21.90	-
<b>Total Income</b>		<b>682.36</b>	<b>427.27</b>
<b>Expenses</b>			
(a) Cost of materials consumed	32(a)	146.16	106.67
(b) Purchase of stock in trade	32(b)	199.18	118.55
(c) Changes in inventories of finished goods, work in progress and stock-in-trade	32(c)	(25.65)	(5.84)
(d) Employee benefits expense	33	131.62	119.12
(e) Finance cost	34	48.55	15.20
(f) Depreciation and amortisation expense	35	45.52	30.57
(g) Other expenses	36	397.31	260.60
<b>Total expenses</b>		<b>942.69</b>	<b>644.87</b>
<b>Profit/ (Loss) before share of Profit/ (loss) of an associate and tax</b>		<b>(260.33)</b>	<b>(217.60)</b>
<b>Add: Share of profit/ (loss) of an associate</b>		<b>(17.57)</b>	<b>-</b>
<b>Profit/ (Loss) before tax</b>		<b>(277.90)</b>	<b>(217.60)</b>
<b>Income tax expense</b>			
(a) Current tax	37	-	4.14
(b) Deferred tax charge/ (credit)	37	(9.66)	(11.48)
		<b>(9.66)</b>	<b>(7.34)</b>
<b>Profit/ (Loss) for the year</b>		<b>(268.24)</b>	<b>(210.26)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement gains/ (losses) on defined benefit plans	40	(0.07)	(0.05)
Income tax effect on above		-	0.00
<b>Total other comprehensive income</b>		<b>(0.07)</b>	<b>(0.05)</b>
<b>Total comprehensive income</b>		<b>(268.31)</b>	<b>(210.31)</b>
<b>Profit/ (Loss) for the year attributable to:</b>			
- Owners of the Company		(240.17)	(191.24)
- Non-controlling interest		(28.07)	(19.02)
		<b>(268.24)</b>	<b>(210.26)</b>
<b>Other comprehensive income attributable to:</b>			
- Owners of the Company		(0.07)	(0.04)
- Non-controlling interest		(0.00)	(0.01)
		<b>(0.07)</b>	<b>(0.05)</b>
<b>Total comprehensive income attributable to:</b>			
- Owners of the Company		(240.23)	(191.29)
- Non-controlling interest		(28.08)	(19.03)
		<b>(268.31)</b>	<b>(210.31)</b>
<b>Earnings per equity share [Nominal value of share: ₹ 10 (March 31, 2024: ₹ 10)]</b>	<b>38</b>		
Basic (₹)		(4.80)	(4.43)
Diluted (₹)		(4.80)	(4.43)
<b>Basis of preparation</b>	<b>2</b>		

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Chartered Accountants  
ICAI Firm Registration No. 304026E/E300009

**A. J. SHAIKH**  
Partner  
Membership No.: 203637  
Place: Bengaluru  
Date : May 21, 2025

For and on behalf of the Board of Directors of  
Aditya Birla Digital Fashion Ventures Limited

**PRASHANTH ALURU**  
(Whole-time Director)  
(DIN: 06923683)  
Place: Bengaluru  
Date : May 21, 2025

**ASHISH DIKSHIT**  
(Director)  
(DIN: 01842066)  
Place: Delhi  
Date : May 21, 2025

**SONIA BHANDARI**  
(Company Secretary)  
(M.No.: 20650)  
Place: Mumbai  
Date : May 21, 2025

**MANOJ FITKARIWALA**  
(Chief Financial Officer)  
Place: Mumbai  
Date : May 21, 2025



Aditya Birla Digital Fashion Ventures Limited  
Consolidated Statement of Cash Flows for the year ended March 31, 2025  
(All amounts in Rs. Crores unless otherwise stated)

	Notes	Year ended March 31, 2025	Year ended March 31, 2024
<b>Cash flows from operating activities</b>			
<b>Profit/ (Loss) before tax</b>	16.62705279		
<b>Adjustments for:</b>		(277.90)	(217.60)
Depreciation and amortisation expense	35	45.52	30.56
Interest income	31(a)	(0.18)	(0.87)
Finance costs	34	48.55	15.20
(Profit)/ Loss on sale of property, plant and equipment	36	-	0.76
Net gain on current investments designated at fair value through profit or loss (FVTPL)	31(a)	(3.37)	-
Gain on call/ put option (net)	31(b)	(21.90)	-
Gain on termination of lease	31(a)	(0.07)	(0.13)
Share based payments	33	7.90	9.04
Fair value gain on financial instruments at FVTPL	31(a)	(3.73)	(3.70)
(Profit)/ loss of an associate		17.57	-
Provision for doubtful debts, deposits and advances	36	2.24	3.27
<b>Operating Profit/ (loss) before working capital changes</b>		<b>(185.37)</b>	<b>(163.47)</b>
<b>Changes in working capital:</b>			
(Increase)/ Decrease in trade receivables		18.00	(65.16)
(Increase)/ Decrease in inventories		(35.35)	(21.13)
(Increase)/ Decrease in other assets		(52.08)	(26.15)
Increase/ (decrease) in trade payables		6.76	6.99
Increase/ (decrease) in provisions		1.29	1.33
Increase/ (decrease) in other liabilities		4.30	1.98
<b>Cash generated from operations</b>		<b>(242.45)</b>	<b>(265.61)</b>
Income taxes paid (net of refund)		0.83	(5.88)
<b>Net cash flows used in operating activities (A)</b>		<b>(241.62)</b>	<b>(271.49)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(9.51)	(2.12)
Consideration paid on acquisition of subsidiaries		(15.01)	(42.99)
Proceeds from bank deposits		2.53	2.15
Investment in an associate		(148.09)	-
Proceeds from redemption of current investments		372.86	-
Purchase of current investments		(428.00)	-
Purchase of non-current investments		-	(30.27)
Interest received		0.18	0.72
<b>Net cash flows used in investing activities (B)</b>		<b>(225.04)</b>	<b>(72.51)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of equity shares		-	184.50
Proceeds from issue of optionally convertible redeemable preference shares (OCRPS)		100.00	-
Proceeds from issue of non convertible debentures (net of issue expenses)		174.81	-
Proceeds from borrowings (net off charges)		214.70	139.71
Repayment of lease liabilities		(11.45)	(5.35)
Interest paid		(13.66)	(8.94)
<b>Net cash flows generated from financing activities (C)</b>		<b>464.40</b>	<b>309.92</b>
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>		<b>(2.26)</b>	<b>(34.09)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>3.37</b>	<b>37.46</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>1.11</b>	<b>3.37</b>
<b>Components of Cash and cash equivalents</b>	16		
Balances with banks - current accounts		1.00	3.32
Cash on hand		0.11	0.05
<b>Total Cash and cash equivalents</b>		<b>1.11</b>	<b>3.37</b>

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Chartered Accountants  
ICAI Firm Registration No. 304026E/E300009

A. J. SHAIKH  
Partner  
Membership No.: 203637

Place: Bengaluru  
Date: May 21, 2025

For and on behalf of the Board of Directors of  
Aditya Birla Digital Fashion Ventures Limited

PRASHANTH ALURU  
(Whole-time Director)  
(DIN: 06923683)  
Place: Bengaluru  
Date: May 21, 2025

ASHISH DIKSHIT  
(Director)  
(DIN: 01842066)  
Place: Delhi  
Date: May 21, 2025

SONIA BHANDARI  
(Company Secretary)  
(M.No.: 20650)  
Place: Mumbai  
Date: May 21, 2025

MANOJ FITKARIWALA  
(Chief Financial Officer)  
Place: Mumbai  
Date: May 21, 2025





Aditya Birla Digital Fashion Ventures Limited  
Consolidated Statement of Changes in Equity for the year ended March 31, 2025  
(All amounts in Rs. Crores unless otherwise stated)

a. Equity share capital

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each Issued, subscribed and paid up: 16,62,70,52,79				
As at the beginning of the year	50,00,00,000	500.00	31,55,00,000	315.50
Add: Equity shares under Rights Issue (Refer note 20)	-	-	18,45,00,000	184.50
Balance as at the end of the year	50,00,00,000	500.00	50,00,00,000	500.00

b. Other equity

	Equity component of compound financial instrument	Reserves and surplus		Other comprehensive income	Equity attributable to owners of the Company	Equity attributable to non-controlling interest			Total other equity
		Retained earnings (Refer Note 21)	Share-based payment reserve (Refer Note 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note 21)		Non-controlling interest	Transfer to share redemption liability (Refer Note 23)	Total	
As at April 1, 2023	-	(77.84)	1.63	(0.15)	(76.36)	29.58	(29.58)	-	(76.36)
Profit/(Loss) for the year	-	(191.24)	-	-	(191.24)	(19.03)	-	(19.03)	(210.27)
Other comprehensive income for the year	-	-	-	(0.04)	(0.04)	(0.01)	-	(0.01)	(0.05)
Recognition of Share based payment expenses	-	(1.30)	10.34	-	9.04	-	-	-	9.04
Equity component of compound financial instrument	4.43	-	-	-	4.43	-	-	-	4.43
Non-controlling interest recognised pursuant to business combinations and acquisition of non-controlling interest in subsidiaries during the year	-	1.82	-	-	1.82	106.08	-	106.08	107.90
Adjustment made on account of re-assessment of acquired minority interest and goodwill	-	-	-	-	-	(11.77)	-	(11.77)	(11.77)
Difference between redemption amount of Call/Put option liabilities and carrying amount of Non Controlling Interest (refer Note 23)	-	(22.54)	-	-	(22.54)	-	(75.27)	(75.27)	(97.81)
As at March 31, 2024	4.43	(91.10)	11.97	(0.19)	(274.89)	104.85	(104.85)	-	(274.89)
Profit/(Loss) for the year	-	(240.17)	-	-	(240.17)	(28.07)	-	(28.07)	(268.24)
Other comprehensive income for the year	-	-	-	(0.06)	(0.06)	(0.01)	-	(0.01)	(0.07)
Recognition of Share based payment expenses	-	(0.54)	8.44	-	7.90	-	-	-	7.90
Equity component of compound financial instrument	7.01	-	-	-	7.01	-	-	-	7.01
Difference between redemption amount of Call/Put option liabilities and carrying amount of Non Controlling Interest (refer Note 23)	-	(39.51)	-	-	(39.51)	-	27.71	27.71	(11.80)
Acquisition of non-controlling interest	-	-	-	-	-	-	0.37	0.37	0.37
As at March 31, 2025	11.44	(571.32)	20.41	(0.25)	(539.72)	76.77	(76.77)	-	(539.72)

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

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Chartered Accountants  
ICAI Firm Registration No. 304026E/E300009



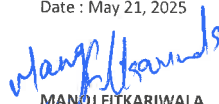
A. J. SHAIKH  
Partner  
Membership No.: 203637

Place: Bengaluru  
Date : May 21, 2025

For and on behalf of the Board of Directors of  
Aditya Birla Digital Fashion Ventures Limited

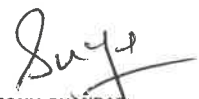


PRASHANTH ALURU  
(Whole-time Director)  
(DIN: 06923683)  
Place: Bengaluru  
Date : May 21, 2025



MANOJ FITKARIWALA  
(Chief Financial Officer)  
Place: Mumbai  
Date : May 21, 2025

ASHISH DIKSHIT  
(Director)  
(DIN: 01842066)  
Place: Delhi  
Date : May 21, 2025



SONIA BHANDARI  
(Company Secretary)  
(M.No.: 20650)  
Place: Mumbai  
Date : May 21, 2025



**Aditya Birla Digital Fashion Ventures Limited**

**Notes to the Consolidated financial statements for the year ended March 31, 2025**

(All amounts in INR Crores unless otherwise stated)

**1 Corporate information**

Aditya Birla Digital Fashion Ventures Limited ("the Company" or "the Holding Company"), a public Company domiciled in India and was incorporated on April 11, 2022 ('date of incorporation') under the provisions of the Companies Act, 2013. The redeemable Non-convertible debentures ("the debt") are listed on Bombay Stock Exchange (BSE) in India on August 27, 2024. The registered office of the Company is located at Piramal Agastya Corp Pak, Building A, 4th and 5th floor unit, 401,403,501, 503, LBS Road, Mumbai, Maharashtra 400070, CIN - U74999MH2022PLC380326.

The Group is a new-age digital venture fashion and lifestyle space focusing on direct-to-consumer operations in India. The Group currently operates as "TMRW", a house of brands entity.

The Company, its subsidiaries (together referred to as the "Group") and its associate are engaged in the business of manufacturing and retailing of branded apparels/accessories.

The Consolidated financial statements, have been approved by the Holding Company's Board of Directors in their meeting held on May 21, 2025.

**2 Basis of preparation**

**2.1 Compliance with Ind AS and historical cost convention**

The Consolidated 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 Consolidated 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);
- Derivative financial instruments
- Goodwill and other intangible assets;
- Defined employee benefit plans;
- Share-based payment; and
- Right of use assets and lease liabilities

**2.2 Functional and Presentation Currency:**

The Consolidated financial statements are presented in Indian Rupee (Rs./ INR) which is the functional currency of the Group. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. Nil amount in the Consolidated financial statements and notes to accounts represents amount less than INR 0.005 Crores (Fifty thousand Rupees).

**2.3 Current versus non-current classification**

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised 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 Group has identified twelve months as its operating cycle.

**2.4 Principles of consolidation**

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiaries and an associate. Subsidiaries are entities controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110) and "Investment in Associates and Joint Ventures" (Ind AS 28) notified under Section 133 of the Companies Act, 2013. The Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary and an associate, the subsidiary and an associate prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary and an associate, unless it is impracticable to do so.



**Consolidation procedures for subsidiaries:**

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the group.

**Equity Accounted Investees:**

Associate is an entity over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investment in an associate is accounted for using the equity method of accounting, after initially being recognised at cost.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries. If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in Consolidated other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described below.

The aggregate of the Group's share of profit or loss of the associate is shown on the face of the Consolidated Statement of Profit and Loss separately. The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the Consolidated Statement of Profit and Loss.

Upon loss of joint control over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in the Consolidated Statement of Profit and Loss.

- 2.5 The comparative information for the year March 31, 2024, have not been audited by the statutory auditors. Comparative information for the aforesaid year has been prepared by the management to comply with the requirements of the Ind AS Standards.

**2.6 Critical Accounting Judgements, Estimates And Assumptions**

The preparation of the Group's Consolidated 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 period, are described below. The Group's assumptions and estimates are based on parameters available at the time of preparation of Consolidated 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 Group. Such changes are reflected in the assumptions when they occur.

**(a) Impairment of investments and financial assets including Goodwill**

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next 10 years to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised and Investments held by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

**(b) Shared-based payments**

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 41.



**(c) Taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

As at March 31, 2025, the Group has INR 555.87 (March 31, 2024: INR 331.69) of tax losses carried forward as per income tax records of the Group. These losses pertain to unabsorbed business loss as at March 31, 2025 of INR 528.93 (March 31, 2024: INR 310.75) which has an expiry of eight years and unabsorbed depreciation loss as at March 31, 2025 of INR 26.94 (March 31, 2024 of INR 20.94) which do not have any expiry period.

**(d) Provision on inventories**

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

**(e) Provision for discount and sales return**

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend of previous years. The Group 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.

**(f) Leases**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has lease contracts that includes extension and termination option. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

**(g) Useful life of intangible assets**

The management has performed an assessment of the useful life of the brand value of the group and have concluded 10 years to be the life of the same.

**(h) Valuation of derivative instruments (put options and/or call options)**

The fair value of financial assets and liabilities (call options and put options) arising from acquisition agreements, has been determined by discounting consideration payable/receivable at the time of exercise of the put options and/or call options payoff, as per the terms of the agreement, using appropriate valuation model. The probability of the estimate within the range can be reasonably assessed and are used in the management's estimates of fair value of the call and put options. Such valuation includes assumptions such as discount rate, future cashflow and EBITDA estimates. Such assumptions are reviewed at each reporting date.

**2.7 New and amended standards adopted by the Group**

The Ministry of Corporate Affairs vide notification dated September 9, 2024 and September 28, 2024 notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 and Companies (Indian Accounting Standards) Third Amendment Rules, 2024, respectively, which amended/ notified certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2024:

- Insurance contracts - Ind AS 117; and
- Lease Liability in Sale and Leaseback – Amendments to Ind AS 116

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

**Standards issued but not yet effective:**

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025.

- Ind AS 21, "The Effects of Changes in Foreign Exchange Rates"
- Ind AS 101, First-time Adoption of Indian Accounting Standards.

The above amendments are not likely to have any material impact on the consolidated financial statements of the Group.

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NOTE - 3a

PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

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 upto 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 group has used the following rates to provide depreciation on its tangible fixed assets:

(a) Assets where useful life same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated Useful life
Plant and machinery – Other than continuous process plant	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 - 6 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	4 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 - 6 years
Furniture and fittings (other than retail stores) and fixtures	Furniture	10 years	7 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Office electrical equipment	Office equipment	5 years	4-5 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	4-5 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	4-5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Leasehold assets

Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Leasehold improvements at Stores and other than stores	Lease term or management's estimate of useful life, whichever is shorter

See note 50 for other accounting policies relevant to property, plant and equipment

	Plant and Machinery	Leasehold Improvements	Computers	Furniture and Fixtures	Office Equipment	Vehicles	Total
<b>Cost</b>							
As at April 01, 2023	10.52	0.83	2.07	2.38	2.92	0.24	18.96
Additions	1.24	0.28	0.28	0.69	0.30	-	2.79
Addition pursuant to business combination (Refer Note - 44)	0.26	-	0.40	4.42	1.40	-	6.48
Disposals	3.16	-	0.02	1.66	0.86	0.16	5.86
<b>As at March 31, 2024</b>	<b>8.86</b>	<b>1.11</b>	<b>2.73</b>	<b>5.83</b>	<b>3.76</b>	<b>0.08</b>	<b>22.37</b>
Additions	3.70	2.26	0.74	2.57	2.00	0.01	11.28
Disposals	0.03	0.03	0.03	0.07	0.03	0.03	0.22
<b>As at March 31, 2025</b>	<b>12.53</b>	<b>3.34</b>	<b>3.44</b>	<b>8.33</b>	<b>5.73</b>	<b>0.06</b>	<b>33.43</b>
<b>Depreciation</b>							
As at April 01, 2023	1.61	0.62	0.44	0.78	1.81	0.11	5.37
Depreciation for the year (Refer Note 35)	0.80	0.08	0.64	0.69	0.79	0.06	3.06
Disposals	0.85	0.00	0.01	0.84	0.87	0.12	2.69
<b>As at March 31, 2024</b>	<b>1.56</b>	<b>0.70</b>	<b>1.07</b>	<b>0.63</b>	<b>1.73</b>	<b>0.05</b>	<b>5.74</b>
Depreciation for the year (Refer Note 35)	0.77	0.15	0.79	1.26	1.18	0.01	4.16
Disposals	0.01	0.01	0.02	0.07	-	0.01	0.12
<b>As at March 31, 2025</b>	<b>2.32</b>	<b>0.84</b>	<b>1.84</b>	<b>1.82</b>	<b>2.91</b>	<b>0.05</b>	<b>9.78</b>
<b>Net carrying value as at:</b>							
As at March 31, 2025	10.21	2.50	1.60	6.51	2.82	0.01	23.65
As at March 31, 2024	7.30	0.41	1.66	5.20	2.03	0.03	16.63



**NOTE - 3b**

**CAPITAL WORK-IN-PROGRESS**

	As at March 31, 2025	As at March 31, 2024
Capital work-in-progress	0.57	0.08
<b>Total</b>	<b>0.57</b>	<b>0.08</b>

Ageing of Capital work-in-progress as on March 31, 2025

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	0.57	-	-	-	0.57
(ii) Projects temporarily suspended	-	-	-	-	-

Ageing of Capital work-in-progress as on March 31, 2024

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	0.08	-	-	-	0.08
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

**NOTE - 4**

**RIGHT OF USE ASSETS AND LEASE LIABILITIES**

**Accounting Policy**

At inception of a contract, the Group 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 Group 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 Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group 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, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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

**Where the Group is the lessee**

**Right-of-use assets**

The Group 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 lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The 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 Group 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 amortized 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 consolidated statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

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

**Short-term leases and leases of low value assets**

The Group 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 recognised as expense on a straight-line basis over the lease term.



**NOTE- 4 - RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (Continued)****a) RIGHT OF USE ASSETS**

	As at March 31, 2025	As at March 31, 2024
<b>[A] Buildings - Cost</b>		
Opening balance	32.61	10.43
Additions	85.56	12.09
Addition pursuant to business combination (Refer Note 44)	-	11.59
Termination	1.92	1.50
Closing balance	116.25	32.61
<b>[B] Buildings - Accumulated Depreciation</b>		
Opening balance	6.98	2.87
Depreciation for the year (Refer Note 35)	11.65	4.86
Termination/ derecognition	0.99	0.75
Closing balance	17.64	6.98
<b>Net carrying value as at: [A-B]</b>	<b>98.61</b>	<b>25.63</b>

**b) LEASE LIABILITIES**

	As at March 31, 2025	As at March 31, 2024
Opening balance	26.34	7.90
Additions	82.97	11.77
Addition pursuant to business combination (Refer Note 44)	-	11.22
Derecognition of lease liabilities	(1.00)	(0.88)
Interest expense on lease liabilities	5.33	1.68
Lease payments	(11.45)	(5.35)
Closing balance	102.19	26.34
Current Lease liabilities	12.47	3.88
Non-Current Lease liabilities	89.72	22.46

**c) INVESTMENT PROPERTY**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>[A] Buildings - Cost</b>		
Opening balance	1.80	1.80
Additions	-	-
Disposals	-	-
Closing balance	1.80	1.80
<b>[B] Buildings - Accumulated Depreciation</b>		
Opening balance	0.10	0.06
Depreciation for the year (Refer Note 35)	0.02	0.04
Disposals	-	-
Closing balance	0.12	0.10
<b>Net carrying value as at: [A-B]</b>	<b>1.68</b>	<b>1.70</b>

**Fair Value of Investment Property**

The fair value of investment property have been determined by a independent valuer, who is registered valuer as defined under rule 2 of Companies (Registered Valuer and Valuation) rules 2017, the fair value of the investment property is determined using Sales Comparison Method/ Market Survey Method under Market approach. The fair value of the investment property is INR 1.70 as on March 31, 2025 (March 31, 2024: INR 1.72).

**Estimation of fair value**

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.



**NOTE - 5**

**GOODWILL AND OTHER INTANGIBLE ASSETS**

**Accounting Policy**

Intangible assets are stated at cost less accumulated amortisation and impairment.

**Amortisation methods and periods**

The useful lives of Goodwill is assessed as indefinite. A summary of amortisation policies applied to the Group's intangible assets is as below:

Intangible assets	Useful life	Amortisation method used
Computer software	3-4 years	Amortized on straight-line basis
Brands	10 years	Amortized on straight-line basis

See Note 50 for other accounting policies relevant to Intangible Assets

	Goodwill	Other intangible assets		
		Brands	Comptuer software	Total
<b>[A] Cost</b>				
<b>As at April 1, 2023</b>	<b>75.25</b>	<b>175.45</b>	<b>1.03</b>	<b>176.48</b>
Additions	-	-	0.04	0.04
Additions pursuant to business combination (Refer Note 44 and Note (i) & (ii) below)	36.81	119.00	0.02	119.02
Adjustments (Refer Note (iii) below)	19.50	-	-	-
<b>As at March 31, 2024</b>	<b>131.56</b>	<b>294.45</b>	<b>1.09</b>	<b>295.54</b>
Additions	-	-	0.16	0.16
Disposals	-	-	-	-
<b>As at March 31, 2025</b>	<b>131.56</b>	<b>294.45</b>	<b>1.25</b>	<b>295.70</b>
<b>[B] Amortisation</b>				
<b>As at April 1, 2023</b>	<b>-</b>	<b>4.83</b>	<b>0.81</b>	<b>5.64</b>
Additions pursuant to business combination (Refer Note 44 and Note (i) & (ii) below)	-	0.06	-	0.06
Amortisation for the year (Refer Note 35)	-	22.53	0.08	22.61
Disposals	-	-	-	-
<b>As at March 31, 2024</b>	<b>-</b>	<b>27.42</b>	<b>0.89</b>	<b>28.31</b>
Amortisation for the year (Refer Note 35)	-	29.49	0.20	29.69
Disposals	-	-	0.06	0.06
<b>As at March 31, 2025</b>	<b>-</b>	<b>56.91</b>	<b>1.03</b>	<b>57.94</b>
<b>Net carrying value as at: [A-B]</b>				
<b>As at March 31, 2025</b>	<b>131.56</b>	<b>237.54</b>	<b>0.22</b>	<b>237.76</b>
<b>As at March 31, 2024</b>	<b>131.56</b>	<b>267.03</b>	<b>0.20</b>	<b>267.23</b>

**Note:**

**Acquisition of Styleverse Lifestyle Private Limited (SLPL):**

(i) Addition to goodwill of Rs. 36.81 includes, Rs. 1.25 (recognized at Group level) and Rs. 12.22 being the impact of measurement period adjustments pursuant to the purchase price allocation which was completed during the current year (Refer Note 44).

(ii) Addition to brand of Rs. 119.00 includes Rs. 0.40, being the impact of measurement period adjustments pursuant to the purchase price allocation which was completed during the current year (Refer Note 44).

(iii) Adjustment to goodwill of Rs. 19.50 was made to goodwill during the previous year based on the re-assessment of goodwill w.r.t. Bewakoof Brands Private Limited.





**NOTE - 5**

**GOODWILL AND OTHER INTANGIBLE ASSETS (Continued)**

**IMPAIRMENT TESTING OF GOODWILL**

Goodwill acquired through various business combinations have been allocated to the six (6) Cash- Generating Units (CGUs) as below:

1. Pratyaya E-Commerce Private Limited - Nobero CGU
2. Imperial Online Services Private Limited - Urbano CGU
3. Awesomfab Shopping Private Limited - Veirdo CGU
4. Bewakoof Brands Private Limited - Bewakoof CGU
5. Styleverse lifestyle Private Limited - Styleverse CGU
6. Nautinatti CGU

**Nobero CGU**

Effective July 22, 2022, the Company entered into a Share purchase agreement (SPA) with Pratyaya E-Commerce Private Limited is engaged in trading of goods on its own online platform and other e-commerce portal under the brand "Nobero". Consequent to above, Pratyaya became a subsidiary of the Company and is considered as a separate CGU "Nobero CGU".

**Urbano CGU**

Effective August 12, 2022, the Company entered into a SPA with Imperial Online Services Private Limited is engaged in selling jeans, sweatshirt, trousers, etc on its own online platform and other e-commerce portal under the brand "Urbano". Consequent to above, Imperial became a subsidiary of the Company and is considered as a separate CGU "Urbano CGU".

**Veirdo CGU**

Effective August 24, 2022, the Company entered into a SPA with Awesomfab Shopping Private Limited is engaged in manufacturing of readymade garments and fabrics on its own online platform and other e-commerce portal under the brand "Veirdo". Consequent to above, Awesomfab became a subsidiary of the Company and is considered as a separate CGU "Veirdo CGU".

**Bewakoof CGU**

Effective February 15, 2023, the Company entered into a SPA with Bewakoof Brands Private Limited offers trending apparel for men and women and has also diversified into other accessories on its own online platform and other e-commerce portal under the brand "Bewakoof". Consequent to above, Bewakoof became a subsidiary of the Company and is considered as a separate CGU "Bewakoof CGU".

**Styleverse CGU**

Effective October 30, 2023, the Company entered into a SPA with Styleverse lifestyle Private Limited is engaged in manufacturing and retailing of apparels under the brands: The Indian Garage Co, Freehand, and Hardsoda on its own online platform and other e-commerce portal. Consequent to above, Styleverse became a subsidiary of the Company and is considered as a separate CGU "Styleverse CGU".

**Nautinatti CGU**

Nauti-Nauti brand was acquired as part of the acquisition of online retail garment sale business on a going concern basis as approved on November 17, 2022 by the Board of Directors, is a children clothing brand (including casual wear, ethnic wear and occasion outfits). Consequent to above, Nautinatti is considered as a separate CGU "Nautinatti CGU".

**Carrying amounts of Goodwill allocated to each of the CGUs are as below:**

CGU	As at	
	March 31, 2025	March 31, 2024
Nobero CGU	3.64	3.64
Urbano CGU	6.82	6.82
Veirdo CGU	7.48	7.48
Bewakoof CGU	72.46	72.46
Styleverse CGU	36.81	36.81
Nautinatti CGU	4.35	4.35
	<b>131.56</b>	<b>131.56</b>

**Disclosures with respect to Goodwill allocated to the CGUs**

**Value in use calculation of CGUs:**

The recoverable amount of the CGUs as at March 31, 2025, has been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a **ten years period** ended March 31, 2035 and cash flow projections for financial year 2034-35 has been used for demonstrate the tapering of growth rate for computation of perpetual cashflows. The Group has considered a terminal growth rate of 5.00% to arrive at the value in use to perpetuity beyond March 31, 2035. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.



NOTE - 5

GOODWILL AND OTHER INTANGIBLE ASSETS (Continued)

IMPAIRMENT TESTING OF GOODWILL (Continued)

Key assumptions used for value in use calculations

**Discount rates:**

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings of the respective CGU. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

**Growth rate estimates:**

Rates are based on published industry research. Growth rate is based on the Group's projection of business and growth of the industry in which the Group is operating. The growth rate is in line with the long-term growth rate of the industry. The growth rate of these CGUs considers the Group's plan to launch new stores/ expected same store growth, digital e-commerce and expansion in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGUs being less than their carrying amount.

CGU	Terminal growth rate		Discount rate	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Nobero CGU	5.00%	5.00%	18.00%	18.00%
Urbano CGU	5.00%	5.00%	17.50%	17.50%
Veirdo CGU	5.00%	5.00%	17.50%	17.50%
Bewakoof CGU	5.00%	5.00%	17.00%	17.00%
Styleverse CGU	5.00%	5.00%	16.50%	16.00%
Nautinauti CGU	5.00%	5.00%	20.00%	19.00%

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**NOTE- 6**

**NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN AN ASSOCIATE**

**Accounting policy**

Investments initially measured at fair value. Investment in an associate is out of scope of Ind AS 109 and hence the Group has accounted for its investments in an associate at cost. All other equity investments are measured at fair value as per Ind AS 109

Refer Note 50 for other accounting policies relevant to financial instruments.

	As at March 31, 2025	As at March 31, 2024
<b>Investments in an associate (Carried at cost)</b>		
<b>Unquoted equity investments:</b>		
3,058 (March 31, 2024: Nil) fully paid equity shares of INR 10/- each of Wrogn Private Limited	23.09	-
Add: Share of Profit/(Loss) of an associate	(17.57)	-
	<b>5.52</b>	<b>-</b>
<b>Unquoted preference shares:</b>		
18,086 (March 31, 2024: Nil) fully paid 0.01% Compulsorily Convertible Preference Shares (CCPS) of INR 10/- each of Wrogn Private Limited	125.00	-
<b>Total</b>	<b>130.52</b>	<b>-</b>
<b>Aggregate book value of unquoted investments</b>	<b>130.52</b>	<b>-</b>
<b>Aggregate amount of impairment in value of investments</b>	<b>-</b>	<b>-</b>

**Note:**

On June 19, 2024, the Board of Directors has approved the acquisition of 17.1% stake of Wrogn Private Limited ('Wrogn') (formerly known as "Universal Sportsbiz Private Limited") for consideration of INR 23.09 in equity and INR 50 in CCPS by entering into a SPA. Further on October 15, 2024 the Company has invested additionally INR 75 in CCPS. Cumulative stake in Wrogn is 32.84%. Considering the terms of the agreement, Wrogn is considered as an associate of the Company. Also Refer Note 51.

**NOTE- 7**

**NON CURRENT SECURITY DEPOSITS**

	As at March 31, 2025	As at March 31, 2024
<b>Security deposits</b>		
-Unsecured, considered good	6.13	1.39
-Unsecured, considered doubtful	0.28	-
Provision for doubtful deposit	(0.28)	-
<b>Total</b>	<b>6.13</b>	<b>1.39</b>

**NOTE- 8**

**NON CURRENT OTHER FINANCIAL ASSETS**

**Accounting Policy**

**Derivatives**

Derivative financial instruments includes call options and put options over shares in the acquired associate held by the Company pursuant to the agreement. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are charged/credited to the Consolidated statement of profit and loss.

Refer Note 50 for other accounting policies relevant to financial instruments.

	As at March 31, 2025	As at March 31, 2024
<b>Derivative instruments (Refer Note below)</b>		
	29.50	-
<b>Total</b>	<b>29.50</b>	<b>-</b>

**Note:**

As per the terms of certain shareholder agreements relating to the associate, the Company has call options to purchase the interest of the non-controlling interest of the other investors in the associate, and also has written put options over such interests which are exercisable based on the terms specified in the agreements. Such options are accounted for as derivative financial instruments. The fair value of call options and put options (as specified in Note - 23: Derivative - Liability) are measured based on a valuation performed by the Group's appointed independent valuer.



**NOTE- 9**

**DEFERRED TAX ASSETS/ LIABILITIES (NET)**

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (net)	13.58	16.65
Deferred tax liabilities (net)	51.62	64.34
	<b>(38.04)</b>	<b>(47.69)</b>
<b>Deferred tax assets / (liabilities) relates to the</b>		
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(57.05)	(64.67)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	3.81	1.44
Business and depreciation loss as per income tax computations available for off-set against future taxable income	13.42	12.39
ROU assets and lease liabilities	0.47	0.43
Provision for gratuity	0.37	0.22
Provision for leave encashment	0.07	-
Others	0.87	2.50
<b>Total</b>	<b>(38.04)</b>	<b>(47.69)</b>

**Reconciliation of deferred tax assets/ (liabilities) (net):**

	As at March 31, 2025	As at March 31, 2024
<b>As at the beginning of the year (net)</b>	<b>47.69</b>	<b>29.23</b>
Deferred tax (credit) / charge recognised in profit and loss during the year	(9.66)	(11.48)
Deferred tax (credit) / charge recognised in OCI during the year	-	-
Addition pursuant to business combination (Refer Note 44)	-	29.94
<b>As at the end of the year</b>	<b>38.04</b>	<b>47.69</b>

**Note:-**

- (i) Unabsorbed depreciation does not have any expiry period.  
(ii) Corporate tax rate considered for arriving at the above amounts is 25.17% (March 31, 2024: 25.17%)

**NOTE- 10**

**NON CURRENT TAX ASSETS (NET)**

	As at March 31, 2025	As at March 31, 2024
Advance tax (net of income tax provision)	0.96	0.86
Withholding tax (TDS) receivables	2.97	3.90
<b>Total</b>	<b>3.93</b>	<b>4.76</b>

**NOTE- 11**

**OTHER NON CURRENT ASSETS**

	As at March 31, 2025	As at March 31, 2024
Capital advances	1.79	-
Balances with government authorities (other than income tax)	66.21	53.24
Prepayments	0.27	-
<b>Total</b>	<b>68.27</b>	<b>53.24</b>

**NOTE- 12**

**INVENTORIES**

**Accounting Policy**

Raw materials, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.  
Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.  
Refer Note 50 for other accounting policies relevant to inventories

	As at March 31, 2025	As at March 31, 2024
Raw materials	36.88	26.47
Work-in-progress	8.67	12.72
Finished Goods	61.96	75.16
Stock-in-trade	78.27	35.37
Packing materials	0.29	1.00
<b>Total</b>	<b>186.07</b>	<b>150.72</b>

Inventories are net of obsolescence provision amounting to INR 23.02 (March 31, 2024 : INR 15.68)





**NOTE- 13**

**CURRENT INVESTMENTS [carried at fair value through profit and loss (FVTPL)]**

	As at March 31, 2025	As at March 31, 2024
<b>Quoted investments</b>		
342,426 units (March 31, 2024 : 615,110 units) of Aditya Birla Sun Life Liquid Fund - Growth	14.16	23.72
162,183.08 units (March 31, 2024 : 49,813 units) of Axis Liquid Fund - Regular Plan - Growth Option	46.38	13.27
57,546.82 units (March 31, 2024 : 21,726 units) of HDFC Liquid Fund - Growth Plan	29.00	10.21
29,154.99 units (March 31, 2024 : Nil units) of HSBC Liquid Fund Growth	7.47	-
4,115.09 units (March 31, 2024 : Nil units) of Kotak Liquid Fund Growth	2.14	-
16,375.81 units (March 31, 2024 : Nil units) of Nippon Liquid Fund Growth	10.27	-
<b>Total</b>	<b>109.43</b>	<b>47.20</b>
Aggregate amount of unquoted investments	-	-
Aggregate amount of quoted investments	109.43	47.20
Aggregate market value of quoted investments	109.43	47.20
Aggregate amount of impairment in value of investments	-	-

**NOTE- 14**

**CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS**

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits		
- Unsecured, considered good	0.93	1.11
<b>Total</b>	<b>0.93</b>	<b>1.11</b>

**NOTE- 15**

**TRADE RECEIVABLES**

**Accounting policy**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the Group'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 Group 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.

For trade receivables and contract assets, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Trade receivables from others</b>		
- Unsecured and considered good	205.47	224.53
- Unsecured and considered doubtful	11.60	10.62
Less: Loss Allowances	(11.60)	(10.62)
<b>Total</b>	<b>205.47</b>	<b>224.53</b>

**Ageing of Trade Receivables:**

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	7.00	152.41	45.23	0.83	-	-	205.47
(ii) Undisputed Trade Receivables – considered doubtful	-	0.49	0.78	8.34	1.91	-	11.52
(iii) Undisputed - Credit Impaired	-	-	0.02	0.05	0.01	-	0.08
(iv) Provision on Trade Receivables assessed on individual basis	-	(0.49)	(0.80)	(8.39)	(1.92)	-	(11.60)
<b>TOTAL</b>	<b>7.00</b>	<b>152.41</b>	<b>45.23</b>	<b>0.83</b>	<b>-</b>	<b>-</b>	<b>205.47</b>

Particulars	Outstanding as on March 31, 2024 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables – considered good	3.07	193.11	27.98	0.37	-	-	224.53
(ii) Undisputed Trade Receivables – considered doubtful	-	-	6.43	2.63	-	-	9.06
(iii) Undisputed - Credit Impaired	-	-	-	1.56	-	-	1.56
(iv) Provision on Trade Receivables assessed on individual basis	-	-	(6.43)	(4.19)	-	-	(10.62)
<b>TOTAL</b>	<b>3.07</b>	<b>193.11</b>	<b>27.98</b>	<b>0.37</b>	<b>-</b>	<b>-</b>	<b>224.53</b>

No trade or other receivables is due from directors or other officers of the Group either severally or jointly with any other person.

Trade receivables are generally non-interest bearing and the credit period generally between 15 to 180 days.

The Group follows the simplified approach method for computing the expected credit loss. The Group is majorly having transaction with Business to Business ('B2B'), market places and with direct to customers (D2C) through payment gateways, hence the Group has assessed the provision for loss allowances on an individual case basis.

There are no disputed trade receivables (a) considered good, (b) considered doubtful or (c) which have significant increase in credit risk. There are no balances which are credit impaired (disputed/ undisputed).



Aditya Birla Digital Fashion Ventures Limited  
Notes to the Consolidated financial statements for the year ended March 31, 2025  
(All amounts in Rs. Crores unless otherwise stated)

**Movement in the expected credit loss allowance**

	As at March 31, 2025	As at March 31, 2024
As at the beginning of the year		
Add: Provision made during the year	10.62	7.45
Less: Provision reversed during the year	0.98	3.17
As at the end of the year	11.60	10.62

**NOTE- 16**

**CASH AND CASH EQUIVALENTS**

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- current accounts	1.00	3.32
Cash on hand	0.11	0.05
<b>Total</b>	<b>1.11</b>	<b>3.37</b>

**Net debt reconciliation:**

**As at March 31, 2025**

Particulars	As at April 1, 2024	Adjustments	Cash flows (net)	Non-cash changes		As at March 31, 2025
				Fair value adjustments	Others	
Cash and cash equivalents	3.37	-	(2.26)	-	-	1.11
Current investments	47.20	-	55.13	3.37	3.73	109.43
<b>Total</b>	<b>50.57</b>	<b>-</b>	<b>52.87</b>	<b>3.37</b>	<b>3.73</b>	<b>110.54</b>
Non current borrowings	152.02	-	406.09	-	28.63	586.74
Current borrowings*	68.12	-	66.25	-	9.20	143.57
Lease liabilities	26.34	-	70.52	-	5.33	102.19
<b>Total</b>	<b>246.48</b>	<b>-</b>	<b>542.86</b>	<b>-</b>	<b>43.16</b>	<b>832.50</b>

**As at March 31, 2024**

Particulars	As at April 1, 2023	Adjustments	Cash flows (net)	Non-cash changes		As at March 31, 2024
				Fair value adjustments	Others	
Cash and cash equivalents	37.46	-	(34.09)	-	-	3.37
Current investments	13.23	-	30.27	0.98	2.71	47.20
<b>Total</b>	<b>50.69</b>	<b>-</b>	<b>(3.82)</b>	<b>0.98</b>	<b>2.71</b>	<b>50.57</b>
Non current borrowings	0.04	-	146.15	-	5.83	152.02
Current borrowings*	59.68	-	7.78	-	0.66	68.12
Lease liabilities	7.89	-	16.77	-	1.68	26.34
<b>Total</b>	<b>67.61</b>	<b>-</b>	<b>170.70</b>	<b>-</b>	<b>8.17</b>	<b>246.48</b>

\*This includes interest accrued but not due on borrowings.

**NOTE- 17**

**BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS**

	As at March 31, 2025	As at March 31, 2024
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.13	2.66
<b>Total</b>	<b>0.13</b>	<b>2.66</b>

**NOTE- 18**

**CURRENT FINANCIAL ASSETS - OTHERS**

	As at March 31, 2025	As at March 31, 2024
Interest accrued on fixed deposits	0.02	-
Loans to employees	0.23	0.14
Other receivables	0.25	-
<b>Total</b>	<b>0.50</b>	<b>0.14</b>

**NOTE- 19**

**OTHER CURRENT ASSETS**

	As at March 31, 2025	As at March 31, 2024
Advance to suppliers	4.58	3.54
Balances with government authorities (other than income tax)	51.99	26.09
Prepayments	1.55	1.75
Right to return assets	34.82	32.43
Other receivables	-	0.31
Advance to employees	1.16	-
<b>Total</b>	<b>94.10</b>	<b>64.12</b>



NOTE- 20

EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10 each				
As at the beginning of the year	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Add: Increase during the year	-	-	-	-
As at the end of the year	1,00,00,00,000	1,000.00	1,00,00,00,000	1,000.00
Optionally Convertible Redeemable Preference shares ('OCRPS') of Rs. 10 each				
As at the beginning of the year	25,00,00,000	250.00	-	-
Add: Increase during the year	-	-	25,00,00,000	250.00
As at the end of the year	25,00,00,000	250.00	25,00,00,000	250.00
Issued, subscribed and paid up equity share capital				
Equity shares of Rs. 10 each				
As at the beginning of the year	50,00,00,000	500.00	31,55,00,000	315.50
Add: Equity shares issued under Rights Issue	-	-	18,45,00,000	184.50
As at the end of the year	50,00,00,000	500.00	50,00,00,000	500.00

(i) Shares held by Promoters

Promoter Name	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of Shares	% of holding	Number of Shares	% of holding	
Aditya Birla Fashion and Retail Limited					
Equity Share Capital	49,99,99,994	99.99%	49,99,99,994	99.99%	0.00%
OCRPS (Refer Note 22)	25,00,00,000	100.00%	25,00,00,000	100.00%	0.00%

(ii) Rights, preferences and restrictions attached to equity shares

The Group has only one class of equity shares having face value of Rs. 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive the remaining assets of the Group, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders. Refer note 22 for the terms of OCRPS.

(iii) Issue of Right Shares

There were no rights issue during the current year.

Rights issue 2023-24

Approval : Board approved fund raising by way of a Rights Issue on following dates, at a price of INR 10 per Rights Equity Share aggregating to INR 184.50, in the ratio of 1 rights equity share for every 1 existing fully-paid share held by the eligible equity shareholders as on the following dates:

- (i) April 27, 2023 5,00,00,000 shares
- (ii) August 10, 2023 3,50,00,000 shares
- (iii) October 12, 2023 9,95,00,000 shares

The rights Issue has been utilised for the purpose for which it has been obtained.

(iv) Details of shareholders holding more than 5% shares in the Company:-

Name of the shareholder	As at March 31, 2025		As at March 31, 2024		% of change during the year
	No. of shares held	% of paid-up share capital	No. of shares held	% of paid-up share capital	
Aditya Birla Fashion and Retail Limited					
Equity shares	49,99,99,994	99.99%	49,99,99,994	99.99%	0.00%
OCRPS (Refer Note 22)	25,00,00,000	100.00%	25,00,00,000	100.00%	0.00%

(v) Details of shares held by holding company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares held	Amount	No. of shares held	Amount
Aditya Birla Fashion and Retail Limited				
Equity shares of INR 10 each	49,99,99,994	500.00	49,99,99,994	500.00
OCRPS of INR 10 each fully paid up (March 31, 2024: INR 6 each paid up)	25,00,00,000	250.00	25,00,00,000	150.00

(vi) Shares reserved for issue under Employee Stock Option Plan

For details of shares reserved for issue under the Employee Stock Option Plan ('Scheme 2022') of the Group (Refer Note - 41).

(vii) There are no shares allotted for consideration other than cash during last three years.

(viii) There were no bonus shares issued during the past three years.



**NOTE- 21**  
**OTHER EQUITY**

	As at March 31, 2025	As at March 31, 2024
<b>Retained earnings</b>		
As at the beginning of the year	(291.10)	(77.84)
Profit/ (Loss) for the year	(240.17)	(191.24)
Acquisition of NCI Share	-	1.82
Share options - Deemed dividend (Refer Note 41)	(0.54)	(1.30)
Difference between redemption amount of Call/Put option liabilities and carrying amount of Non Controlling Interest	(39.51)	(22.54)
<b>As at the end of the year</b>	<b>(571.32)</b>	<b>(291.10)</b>
<b>Share-based payment reserve</b>		
As at the beginning of the year	11.97	1.63
Recognition of Share based expenses	7.90	9.04
Share options - Deemed dividend (Refer Note 41)	0.54	1.30
<b>As at the end of the year</b>	<b>20.41</b>	<b>11.97</b>
<b>Equity attributable to non-controlling interest</b>		
As at the beginning of the year	-	-
Profit/ (Loss) during the year	(28.07)	(19.03)
Other comprehensive income	(0.01)	(0.01)
Acquisition of non-controlling interest ('NCI') Share	0.37	106.08
Adjustment made on account of re-assessment of acquired minority interest and goodwill (Refer Note- 44)	-	(11.77)
Non-controlling pursuant to business combinations (Refer Note - 44)	27.71	(75.27)
<b>As at the end of the year</b>	<b>-</b>	<b>-</b>
<b>Equity component of compound financial instrument</b>		
As at the beginning of the year	4.43	-
Increase during the year	7.01	4.43
<b>As at the end of the year</b>	<b>11.44</b>	<b>4.43</b>
<b>Other comprehensive income</b>		
<b>Remeasurement gains/ (losses) on defined benefit plans</b>		
As at the beginning of the year	(0.19)	(0.15)
Gains/ (losses) during the year (Refer Note- 40)	(0.06)	(0.04)
<b>As at the end of the year</b>	<b>(0.25)</b>	<b>(0.19)</b>
<b>Other equity</b>		
	As at March 31, 2025	As at March 31, 2024
Equity component of compound financial instrument	11.44	4.43
<b>Reserves and surplus</b>		
Retained earnings	(571.32)	(291.10)
Share-based payment reserve	20.41	11.97
Equity attributable to non-controlling interest	-	-
<b>Other comprehensive income</b>		
Remeasurement gains/ (losses) on defined benefit plans	(0.25)	(0.19)
<b>Total</b>	<b>(539.72)</b>	<b>(274.89)</b>

The description of the nature and purpose of each reserve within other equity is as follows:

**1. Retained earnings**

Retained earnings comprise of the Group's accumulated undistributed consolidated profits/ (losses) after taxes.

**2. Share options outstanding account**

The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

**3. Equity component of compound financial instrument**

Equity component of compound financial instrument represents the difference between the OCRPS face value and the present value of payment / conversion to be made towards the OCRPS on the trigger date. Also Refer Note 22.

**4. Equity attributable to non-controlling interest**

Equity attributable to non-controlling interest represents the amount payable to the holders of non controlling stake in the subsidiaries part of the Group. Since the group does not have present ownership interest in the shares held by NCI shareholders, the Group has de-recognised NCI and created equity share redemption liability. Also Refer Note 23.

**5. Remeasurement gains/ (losses) on defined benefit plans**

The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.





**NOTE- 22**

**NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

**Accounting policy**

Compound financial instruments: The component parts of compound financial instruments (convertible notes) 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.

Refer Note 50 for other accounting policies relevant to financial instruments.

	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
<b>Term loans from bank</b>		
Rupee term loan (Refer note 2 below)	0.78	1.28
<b>Term loans from financial institutions</b>		
Loan from Non-banking Financial Company (NBFC) (Refer note 2 below)	148.00	-
<b>Unsecured</b>		
<b>Non-convertible Debentures (NCD)</b>		
NCD (Refer note 2 below)	174.81	-
<b>Preference shares</b>		
7% Optionally Convertible Redeemable Preference Shares (OCRPS) [Refer note 1(a) and 1(b) below]	263.15	150.74
<b>Total</b>	<b>586.74</b>	<b>152.02</b>
Aggregate secured borrowings	148.78	1.28
Aggregate unsecured borrowings	437.96	150.74

**Notes:**

**1) Details of OCRPS**

1(a) During the financial year ended March 31, 2024, the Group has issued 250,000,000 7% OCRPS with face value of Rs. 10 each, Rs. 6 each paid-up to Aditya Birla Fashion and Retail Limited. During the current year, Rs. 4 each is paid up, making OCRPS as fully paid up.

(i) The OCRPS is redeemable at earlier of the end of 3 years from effective date or fund raising event at an agreed conversion ratio on the date of redemption.

(ii) Dividend at 7% per annum on the outstanding amount is payable on a cumulative basis.

(iii) The proceeds are for meeting the working capital requirements of the Group.

1(b) OCRPS includes dividend accumulated of Rs. 24.59 (March 31, 2024: Rs. 5.17) and is net off unamortised charges.

**2) Details of security and terms of repayment**

Particulars	Security	Effective interest rate	Maturity	As at March 31, 2025	As at March 31, 2024
<b>NCD</b> 17,500 NCDs of face value of Rs.1 lakh each *	Unsecured	8.80%	26-Aug-27	174.81	-
<b>Term loans from bank</b> Rupee Term Loan	Secured-immovable assets and current assets	1-MCLR 1 Yr + "spread per annum"	15-Jul-26	0.78	1.28
<b>Term loans from financial institution</b> Aditya Birla Finance Limited - Tranche 1	Secured - Current and fixed assets	9.60%	15-Jul-26	50.00	-
Aditya Birla Finance Limited - Tranche 2		9.45%	15-Jul-26	98.00	-

\* Terms of utilisation of Redeemable NCD: The proceeds from NCD issue can be utilized for (a) making equity or quasi debt infusion or any other debt investment into its subsidiaries or associate companies in which the Group has an existing investment (equity or debt); (b) accumulation of funds for long-term working capital; and (c) general corporate purpose in the normal course of business, in accordance with applicable laws. Pending full utilization of Issue proceeds, the Group is entitled to invest the issue proceeds in schemes of mutual funds and deposits with banks or retain them in Issuer's bank account.

The Group has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

The Group has used the borrowings from banks and financial institution for the specific purpose for which it was taken.

The Group has registered all the charges with Registrar of Companies (RoC) within the statutory period.



**NOTE- 23**

**NON-CURRENT FINANCIAL LIABILITIES- OTHERS**

**Accounting Policy**

**Equity Share Redemption Liability**

Where the group does not have present ownership interest in the shares held by the non-controlling shareholders, measured at either fair value or at the proportionate share of the acquiree's identifiable net assets, and the related call/ put option held by the group over such non-controlling shares remains unexercised, the group accounts for the non-controlling interest and the written call/ put option at the end of each reporting period as below:

- Group determines the amount that would have been recognised for the non-controlling interest, including an allocation to reflect the share of profit or loss, share of changes in other comprehensive income and dividends (if any) declared during the reporting period;
- The group de-recognises the non-controlling interest as if it was acquired at the end of the reporting period.
- The group recognises a financial liability in respect of the written call/put option at the present value of the amount payable on exercise of the non-controlling interest; and
- Difference between b) and c) is accounted for as an equity transaction.

Upon exercise of the call/put option over the non-controlling interest the amount recognised as financial liability is extinguished by payment of the exercise price.

If the call/put option over the non-controlling interest remains unexercised, non-controlling interest is recognised at the amount it would have been, as if the call/put option had never been granted (i.e. measured initially at the date of the business combination, and remeasured for subsequent allocations of profit or loss, other comprehensive income and changes in equity attributable to the non-controlling interest). The financial liability is derecognised, with a corresponding credit to the same component of equity.

Refer Note 50 for other accounting policies relevant to financial instruments.

	As at March 31, 2025	As at March 31, 2024
Security deposits from franchisees	0.44	0.11
Derivative instruments (Refer Note 8)	7.60	-
Non-controlling interest - call/put option	162.50	150.70
<b>Total</b>	<b>170.54</b>	<b>150.81</b>

**NOTE- 24**

**NON-CURRENT PROVISIONS**

	As at March 31, 2025	As at March 31, 2024
Employee benefit obligation		
Provision for gratuity (Refer Note- 40)	4.38	3.32
<b>Total</b>	<b>4.38</b>	<b>3.32</b>

**NOTE- 25**

**CURRENT - BORROWINGS**

	As at March 31, 2025	As at March 31, 2024
<b>Secured</b>		
<b>Loans repayable on demand from bank</b>		
Bank overdraft (Refer Note 1 below)	76.22	54.17
Cash credit (Refer Note 1 below)	28.10	1.63
Current maturities of rupee term loan (Refer Note 22)	0.31	0.12
<b>Unsecured</b>		
<b>Loans repayable on demand from financial institutions</b>		
Working capital loan from others (Refer Note 2 below)	30.70	12.10
<b>Current maturities of long term borrowings</b>		
Current maturities of long-term borrowings	-	0.10
Current maturity of NCD - interest accrued and not due	8.24	-
<b>Total</b>	<b>143.57</b>	<b>68.12</b>
Aggregate secured borrowings	104.63	55.92
Aggregate unsecured borrowings	38.94	12.20



**Aditya Birla Digital Fashion Ventures Limited**  
**Notes to the Consolidated financial statements for the year ended March 31, 2025**  
(All amounts in Rs. Crores unless otherwise stated)

**Terms of the borrowings:**

Particulars	Repayment terms, interest rate and security
<b>1. Loans repayable on demand from bank</b>	
<b>Bank overdraft</b>	
Overdraft facility from a Bank, balance outstanding Rs. 8.24 (March 31, 2024: Rs 8.31)	Repayable on demand. Secured by a first pari-passu charge on all current assets. Rate of interest is I-MCLR-6M which is currently at the rate of 9.00% p.a. (March 31, 2024: 9.00% p.a.)
Working Capital Demand Loan from a Bank, balance outstanding Rs. 17.65 (March 31, 2024: Rs. 15.89)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest for the year is Repo rate (As on sanction date- 6.25% )+ spread (2.6%) p.a.. (As at March 31, 2024 : 8.85% p.a.)
Working Capital Term Loan from a Bank, balance outstanding Rs. 9.5 (March 31, 2024: Rs. 5.00)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest for the year is (Repo rate+spread) 8.70% p.a. (As at March 31, 2024 : 8.75% p.a.)
Working Capital Demand Loan from a Bank, balance outstanding Rs. 15.51 (March 31, 2024: Rs. Nil)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest as at year end 8.8% p.a. (As at March 31, 2024 :NA)
Overdraft facility from a Bank, balance outstanding Rs. 14.59 (March 31, 2024: Rs. 13.54)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest for the year is Repo rate +spread 2.75% p.a.(March 31, 2024:2.75% p.a.)
Overdraft facility from a Bank, balance outstanding Rs. 10.73 (March 31, 2024: Rs. 11.43)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest for the year is MCLR+Spread (floating) <b>2.75% p.a.</b>
<b>Cash credit</b>	
Cash credit facility from a Bank, balance outstanding Rs. 18.35 (March 31, 2024: Rs. 1.63)	Repayable on demand. Secured by a first pari-passu charge on all inventories and trade receivables. Rate of interest for the year 8.15% p.a.(March 31, 2024: 8.15% p.a.)
Cash credit facility from a Bank, balance outstanding Rs. 9.75 (March 31, 2024: Rs. nil)	Repayable on demand. Secured by a first pari-passu charge on all current assets and movable fixed assets. Rate of interest for the year is Repo rate +spread which is currently 2.75% p.a. (March 31, 2024: 2.75% p.a.)

**2. Loans repayable on demand from financial institutions**

Working capital demand loan from a NBFC, balance outstanding Rs. 2.00 (March 31, 2024: Rs. 0.1)	Repayable on demand. Unsecured. Rate of interest for the year is 10% p.a. (March 31, 2024: 2.75% p.a.)
Working Capital Term Loan from NBFC, balance outstanding Rs. 21.30 (March 31, 2024: 10.50)	Repayable on demand. Rate of interest as at year end is 9.4% p.a. (March 31, 2024: 10% p.a.)
Working Capital Term Loan from NBFC, balance outstanding Rs. 7.40 (March 31, 2024 Rs. 1.50)	Repayable on demand. Rate of interest as at year end is 9.9% p.a. (March 31, 2024: 9.9% p.a.)

Above Working Capital Term loan are secured by hypothecation of current assets of the Group.

The Group has not defaulted on any loans payable or interest thereon, and there has been no breach of any covenant attached to the borrowings.

**NOTE- 26**

**TRADE PAYABLES**

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues to micro enterprises and small enterprises (Refer details below)	32.19	18.99
Total outstanding dues of creditors other than micro enterprises and small Enterprises*	186.76	193.77
<b>Total</b>	<b>218.95</b>	<b>212.76</b>

\*Includes payables to related parties (Refer Note- 45)

**Trade payables ageing**

Particulars	Outstanding as on March 31, 2025 ( for following periods from due date of payment )					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed MSME	18.55	12.22	0.68	0.74	-	32.19
(ii) Undisputed others	154.66	29.43	1.22	1.45	-	186.76
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	<b>173.21</b>	<b>41.65</b>	<b>1.90</b>	<b>2.19</b>	<b>-</b>	<b>218.95</b>

Particulars	Outstanding as on March 31, 2024 ( for following periods from due date of payment )					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed MSME	12.24	5.20	1.01	0.54	-	18.99
(ii) Undisputed others	133.35	56.73	1.60	2.09	-	193.77
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	<b>145.59</b>	<b>61.93</b>	<b>2.61</b>	<b>2.63</b>	<b>-</b>	<b>212.76</b>



**Details of dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006:**

	As at March 31, 2025	As at March 31, 2024
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to Micro and Small Enterprises*	15.38	12.19
Interest due on the above	0.84	1.30
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	266.66	62.23
c. 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 Micro, Small and Medium Enterprises Development Act, 2006	-	0.18
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	5.17	1.90
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	3.76	1.90

\* The above disclosures are provided by the Group based on the information available with the Group in respect of the registration status of its vendors and this does not include not due but recorded in the books of account.

**NOTE- 27****CURRENT FINANCIAL LIABILITIES - OTHERS**

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued and due on borrowings	1.07	0.14
Creditors for capital supplies/services	4.52	0.32
Deferred consideration payable (Refer Note 44)	-	15.00
Employee payables	15.42	15.19
Other financial liabilities	-	0.01
<b>Total</b>	<b>21.01</b>	<b>30.66</b>

**NOTE- 28****CURRENT PROVISIONS**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Employee benefit obligation</b>		
Provision for compensated absence	2.79	2.64
Provision for gratuity (Refer Note 40)	0.57	0.42
<b>Total</b>	<b>3.36</b>	<b>3.06</b>

**NOTE- 29****OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2025	As at March 31, 2024
Advances received from customers	2.22	2.49
Statutory dues (other than income taxes)	4.20	3.86
Employee related statutory dues	1.73	-
Refund liabilities	72.68	69.83
Other advances received	0.03	-
<b>Total</b>	<b>80.86</b>	<b>76.18</b>





**NOTE- 30****REVENUE FROM OPERATIONS****Accounting policy****(i) Revenue from contracts with customers**

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Group expect to be entitled for those goods/ services and there are no unfulfilled obligations that affect the customers' acceptance of the products. Control of the products are considered to be transferred at a point in time when goods have been dispatched or delivered, as per the terms agreed with the customer. The Group does not adjust any of the transaction prices for the time value of money as contracts with the customers do not contain a significant financing component, since the sales are generally made with a credit period of 15 to 180 days, which is consistent with the market practice.

To recognize revenues, the Group 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 from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Group) allocated to that performance obligation.

Goods and Service Tax (GST) is not received by the Group 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.

**Assets and liabilities arising from right to return**

The Group 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 to 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 Group has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Group has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

**Income from gift voucher**

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

**Loyalty points program**

The Group operates a loyalty program 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 recognised 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 recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

**Commission income**

In case of sales of goods, where the Group is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

**Membership Income**

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

**Others (Cash Collection Charges and freight revenue)**

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

	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products	644.82	410.18
<b>Sale of services</b>		
-Commission income	3.46	8.69
-Membership income	0.58	0.99
-Cash collection charges and freight revenue	1.37	0.89
<b>Other Operating Revenue</b>		
-Process waste sales	0.48	0.34
<b>Total</b>	<b>650.71</b>	<b>421.09</b>



**Aditya Birla Digital Fashion Ventures Limited****Notes to the Consolidated financial statements for the year ended March 31, 2025**

(All amounts in Rs. Crores unless otherwise stated)

**(a) Right to return assets and refund liabilities**

	Year ended March 31, 2025	Year ended March 31, 2024
Right to return assets (Refer Note 19)	34.82	32.43
Refund liabilities (Refer Note 29)	72.68	69.83

**(b) Contract balances:**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Contract assets</b>		
Trade receivables (Refer Note 15)	205.47	224.53
<b>Contract liabilities</b>		
Advance received from customers (Refer Note 29)	2.22	2.49

**(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:**

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price	1,120.27	668.54
Less:		
Sales return	(333.66)	(176.39)
Discount	(135.90)	(71.06)
<b>Revenue as per the Consolidated Statement of Profit and Loss</b>	<b>650.71</b>	<b>421.09</b>

**(d) Timing of revenue recognition**

	Year ended March 31, 2025	Year ended March 31, 2024
Goods transferred at a point in time	645.30	410.52
<b>Sale of service</b>		
Services transferred point in time	4.83	9.58
Services transferred over the period of time	0.58	0.99
<b>Revenue as per the Consolidated Statement of Profit and Loss</b>	<b>650.71</b>	<b>421.09</b>

**(e) Performance obligations and unsatisfied 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 Group expects to recognize these amounts in revenue. There are no revenue deferral as at the year end. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or lesser.

(f) Group is into business of sale of retail garmets/branded apparels/accessories having the same nature and timing of revenue. Hence there is no disaggregation of revenue has been provided. Also Refer Note 46.

**NOTE- 31(a)****OTHER INCOME**

	Year ended March 31, 2025	Year ended March 31, 2024
Fair value gain on financial instruments at FVTPL	3.37	0.98
Gain on retirement of right of use assets	0.07	0.13
Interest income on bank deposits	0.18	0.72
Interest income on income tax refund	0.34	-
Liabilities no longer written back	0.52	-
Net gain on sale of current investments	3.73	2.71
Profit on sale of property, plant and equipment	0.01	0.03
Unwinding of discount on security deposits	0.30	0.14
Miscellaneous income	1.23	1.47
<b>Total</b>	<b>9.75</b>	<b>6.18</b>

**NOTE- 31(b)****OTHER GAINS/(LOSSES) - NET**

	Year ended March 31, 2025	Year ended March 31, 2024
Gain on derivative assets and liabilities (net)	21.90	-
<b>Total</b>	<b>21.90</b>	<b>-</b>



**NOTE- 32(a)**

**COST OF MATERIALS CONSUMED**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Opening balance</b>		
Raw materials	26.47	9.32
Packing materials	1.00	0.94
Raw materials acquired during business combination (Refer Note 44)	-	6.91
Add: Purchases	155.86	116.97
<b>Closing balance</b>		
Raw materials	(36.88)	(26.47)
Packing materials	(0.29)	(1.00)
<b>Total cost of material consumed</b>	<b>146.16</b>	<b>106.67</b>

**NOTE- 32(b)**

**PURCHASE OF STOCK IN TRADE**

	Year ended March 31, 2025	Year ended March 31, 2024
Purchase of stock in trade	199.18	118.55
<b>Total</b>	<b>199.18</b>	<b>118.55</b>

**NOTE- 32(c)**

**CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Opening inventories</b>		
Finished goods	75.16	17.43
Work-in-progress	12.72	1.40
Stock-in-trade	35.37	35.78
<b>Inventories acquired during business combination (Refer Note 44)</b>		
Finished goods	-	51.30
Work-in-progress	-	11.50
<b>Less: closing inventories</b>		
Finished goods	(61.96)	(75.16)
Work-in-progress	(8.67)	(12.72)
Stock-in-trade	(78.27)	(35.37)
<b>Changes in inventories of finished goods, work in progress and stock-in-trade</b>	<b>(25.65)</b>	<b>(5.84)</b>

**NOTE- 33**

**EMPLOYEE BENEFITS EXPENSE**

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	114.98	104.77
Contribution to provident and other funds	3.28	1.72
Share-based payment to employees (Refer Note 41)	7.90	9.04
Gratuity expense (Refer Note 40)	1.44	0.76
Staff welfare expenses	4.02	2.83
<b>Total</b>	<b>131.62</b>	<b>119.12</b>



**Aditya Birla Digital Fashion Ventures Limited**
**Notes to the Consolidated financial statements for the year ended March 31, 2025**

(All amounts in Rs. Crores unless otherwise stated)

**NOTE- 34**
**FINANCE COST**

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense		
- on borrowings	14.45	6.01
- on lease liabilities (Refer Note 4b and Note 42)	5.33	1.68
- on OCRPS	19.43	5.17
- on NCD	9.20	0.66
- on others	0.14	1.68
<b>Total</b>	<b>48.55</b>	<b>15.20</b>

**NOTE- 35**
**DEPRECIATION AND AMORTISATION EXPENSE**

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on property, plant and equipment (Refer Note 3a)	4.16	3.06
Depreciation on right-of-use assets (Refer Note 4a)	11.65	4.86
Depreciation on investment property (Refer Note 4c)	0.02	0.04
Amortisation on intangible assets (Refer Note 5)	29.69	22.61
<b>Total</b>	<b>45.52</b>	<b>30.57</b>

**NOTE- 36**
**OTHER EXPENSES**

	Year ended March 31, 2025	Year ended March 31, 2024
Advertisement and sales promotion	139.52	87.68
Commission	25.45	17.33
Insurance	0.55	0.34
Transportation and handling charges	88.01	66.62
Job work charges	62.86	25.25
Information technology expenses	12.89	9.33
Legal and professional expenses	22.03	23.22
Repair & maintenance		
- Buildings	0.44	0.21
- Plant and equipment	0.28	0.17
- Others	0.67	0.98
Rent (including warehouse charges) (Refer Note 42)	14.38	8.54
Provisions for bad and doubtful debts	0.98	3.17
Provisions for bad and doubtful deposits	0.28	-
Provisions for bad and doubtful advances	1.09	0.10
Outsourcing, housekeeping and security	8.24	4.49
Electricity charges	2.14	1.76
Power and fuel	0.15	0.03
Rates and taxes	5.97	1.48
Communication expenses	0.48	0.31
Royalty expenses	3.83	2.31
Payment to auditors (Refer Note below)	0.80	0.48
Travelling and conveyance	4.14	2.92
CSR expenditure (Refer Note - 39)	0.14	-
Miscellaneous expenses	1.99	3.88
<b>Total</b>	<b>397.31</b>	<b>260.60</b>

**Payment to auditors \*:**

	Year ended March 31, 2025	Year ended March 31, 2024
For audit fees (including Limited Review fees)	0.69	0.47
For tax audit fees	-	0.01
For other services	0.09	-
For reimbursement of expenses	0.02	0.00
<b>Total</b>	<b>0.80</b>	<b>0.48</b>

\* Represent fees to statutory auditors of the holding company and all the subsidiaries.





**NOTE- 37**  
**INCOME TAX EXPENSE**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Current income tax</b>		
Current income tax charge	-	4.14
(A)	-	4.14
<b>Deferred tax charge / (credit)</b>		
Relating to origination and reversal of temporary differences (Refer Note 9)	(9.66)	(11.48)
(B)	(9.66)	(11.48)
<b>Total (A+B)</b>	<b>(9.66)</b>	<b>(7.34)</b>
<b>In Other Comprehensive Income (OCI)</b>		
<b>Deferred tax related to items recognised in OCI during the year</b>		
	Year ended March 31, 2025	Year ended March 31, 2025
Deferred tax charge/ (credit) on:		
Net gain/ (loss) on re-measurement gains/ (losses) on defined benefit plans	-	0.00
	-	0.00
<b>Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate</b>		
	Year ended March 31, 2025	Year ended March 31, 2024
Accounting Profit/(Loss) before income tax	(277.90)	(217.60)
Tax expense/ (income) at statutory income tax rate of 25.17% (March 31, 2024: 25.17%)	(69.94)	(54.76)
<b>Expenses not allowed under the Income tax Act:</b>		
Corporate Social Responsibility	0.04	-
Expenses disallowed for tax purposes	0.75	0.17
Impact of deferred tax not created on losses	69.15	58.73
Deferred tax created on temporary differences	(9.66)	(11.48)
<b>Income tax expenses/ (income) as per Consolidated Statement of Profit and Loss</b>	<b>(9.66)</b>	<b>(7.34)</b>

**NOTE- 38**  
**EARNINGS PER SHARE (EPS)**

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

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Group 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 profit/(loss) and equity share data used in the basic and diluted EPS computations:

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Profit/(Loss) as per consolidated Statement of Profit and Loss</b>	(A)	(191.28)
Weighted average number of equity shares for calculation of Basic EPS	(B)	43,14,97,260
<b>Profit/(Loss) per share - Basic (INR)</b>	<b>(A) / (B)</b>	<b>(4.43)</b>
Weighted average number of equity shares for calculation of Diluted EPS*	50,00,00,000	43,14,97,260
<b>Diluted EPS (INR)</b>	<b>(C)</b>	<b>(4.43)</b>
Nominal value of shares (INR)	10.00	10.00

\*Stock options granted to the employees under various ESOP schemes and OCRPS are considered to be potential equity shares. The same are not considered in the determination of diluted earnings per share as they are anti-dilutive. Vested unexercised stock options have been considered in the calculation of Basic EPS where the exercise price of such options are insignificant. The details relating to stock options are given in Note 41.

**NOTE- 39**  
**DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON**

**Details of actual CSR expenditure incurred:**

	Year ended March 31, 2025	Year ended March 31, 2024
i) Amount required to be spent by the Group during the year	0.14	-
ii) Amount of expenditure incurred	0.14	-
iii) Shortfall at the end of the financial year	-	-
iv) Total of previous years shortfall	-	-
v) Reason for shortfall	-	-
vi) Nature of CSR activities	Refer Note below	Not Applicable
vii) Details of related party transaction (contribution to a trust in which directors of the Holding Company are interested)	0.14	-
viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	-	-

Note: The Group has donated an amount of Rs.0.14 (March 31, 2024: Nil) to Aditya Birla Fashion and Retail Jan Kalyan Trust. The Contribution is covered under Schedule VII to the Companies Act, 2013. Contribution has been spent by the Trust for park development, dry and wet waste segregation and pond renovation at villages in Karnataka and Tamil Nadu.



**NOTE: 40****GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS****(i) Defined contribution plans - Provident Fund, Employees' State Insurance and Labour welfare fund:**

**Provident Fund:** Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary with maximum contribution capped at wage ceiling used for calculating the Provident fund contribution as per the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**Employees' State Insurance:** Employees' State Insurance is a state plan applicable to employees of the Group whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Group is limited to the extent of contributions made on a monthly basis.

**Labour Welfare Fund:** The Labour Welfare Fund (LWF) is a statutory contributory fund managed by the individual state government authorities in India. The state Labour Welfare Board determines the frequency and amount of the LWF contribution and It differs from state to state. The contributions to the LWF are made annually, half-yearly or monthly.

Amount Recognised in Statement of Profit and Loss in Note 33 "Contribution to provident and other funds"	Year ended March 31, 2025	Year ended March 31, 2024
Contribution to Employee Pension Scheme (EPS)	0.48	0.31
Contribution to Employee State Insurance (ESI)	0.10	0.09
Contribution to Employee Provident Fund (EPF)	2.34	1.07
Contribution to National Pension Scheme (NPS)	0.37	0.24
<b>Total</b>	<b>3.28</b>	<b>1.72</b>

**(ii) Defined benefit plans :**

The Group 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 Group's defined benefit plan is funded and unfunded, the fair value of the plan assets is reduced from the gross obligation under the defined benefits plans, to recognise on net basis.

**Risk exposure**

Through its defined benefit plans, Group is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimize risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.
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.
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.

**Unfunded defined benefit plan**

The amounts recognized through statement of consolidated statement of profit and loss and other comprehensive income:

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	1.02	0.73
Past service cost	-	(0.30)
Interest cost on defined benefit obligation	0.24	0.20
<b>Total</b>	<b>1.26</b>	<b>0.63</b>



**Aditya Birla Digital Fashion Ventures Limited**
**Notes to the Consolidated financial statements for the year ended March 31, 2025**

(All amounts in Rs. Crores unless otherwise stated)

**Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:**

	As at March 31, 2025	As at March 31, 2024
<b>Opening defined benefit obligation</b>	<b>3.35</b>	<b>2.62</b>
Current service cost	1.02	0.73
Past service cost	-	(0.30)
Interest cost on defined benefit obligation	0.24	0.20
Actuarial (gain)/ loss on account of:		
Changes in demographic assumptions	-	-
Changes in financial assumptions	0.08	0.18
Experience adjustments	(0.06)	(0.15)
Actuarial (gain)/ loss recognised in OCI	<b>0.02</b>	<b>0.03</b>
Benefits paid	(0.31)	(0.07)
Transfer in/ out obligation*	<b>0.02</b>	<b>0.14</b>
<b>Closing defined benefit obligation</b>	<b>4.34</b>	<b>3.35</b>

\*On account of inter-company transfer.

**Funded defined benefit plan**
**Net (benefit) / expense recognised through the Consolidated Statement of Profit and Loss**

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	0.15	0.10
Interest cost on defined benefit obligation	0.03	0.03
<b>Total</b>	<b>0.18</b>	<b>0.13</b>
<b>Gratuity cost charged to other comprehensive income</b>		
Due to Change in financial assumptions	(0.05)	*
Due to experience adjustments	0.10	0.02
<b>Total</b>	<b>0.05</b>	<b>0.02</b>

**Changes in the defined benefit obligation and fair value of plan assets are as follows:**
**(i) Changes in the present value of the Defined Benefit Obligations (DBO)**

	As at March 31, 2025	As at March 31, 2024
<b>Opening defined benefit obligation</b>	<b>0.44</b>	<b>0.46</b>
Current service cost	0.15	0.10
Interest cost on defined benefit obligation	0.03	0.03
Actuarial (gain)/ loss on account of:		
Changes in financial assumptions	(0.05)	-
Experience adjustments	0.10	0.02
<b>Actuarial (gain)/ loss recognised in OCI</b>	<b>0.05</b>	<b>0.02</b>
Benefits paid	(0.01)	(0.14)
Transfer in/ out obligation*	-	(0.03)
<b>Closing defined benefit obligation</b>	<b>0.66</b>	<b>0.44</b>

\*On account of inter-company transfer.

**(ii) Change in fair value of plan assets**

	As at March 31, 2025	As at March 31, 2024
<b>Fair value of the plan assets at the beginning of the year</b>	<b>0.05</b>	<b>0.05</b>
Interest Income	*	*
Return on plan assets excluding amounts included in interest income	*	*
<b>Closing fair value of the plan assets at the end of the year</b>	<b>0.05</b>	<b>0.05</b>

\*Amount is below the rounding off criteria adopted by the Group.

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.

**Amounts recognised in the Consolidated Balance Sheet**

	As at March 31, 2025	As at March 31, 2024
Present value of the defined benefit obligation at the end of the year:		
Funded	0.66	0.44
Fair value of plan assets	0.05	0.05
<b>Net liability/ (asset)</b>	<b>0.61</b>	<b>0.39</b>
Net liability is classified as follows:		
Current	0.24	0.10
Non-Current	0.37	0.29
<b>Net liability - Funded</b>	<b>0.61</b>	<b>0.39</b>



	As at March 31, 2025	As at March 31, 2024
Present value of the defined benefit obligation at the end of the year:		
Unfunded	4.34	3.35
<b>Liability</b>	<b>4.34</b>	<b>3.35</b>
Net liability is classified as follows:		
Current	0.33	0.32
Non-current	4.01	3.03
<b>Liability - Unfunded</b>	<b>4.34</b>	<b>3.35</b>

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

	As at March 31, 2025	As at March 31, 2024
<b>Discount rate (per annum)</b>		
Funded plan	6.50%	7.15%
Unfunded plan	6.76%	7.26%
<b>Salary escalation rate (per annum)</b>		
Funded plan	8.00%	15.00%
Unfunded plan	8.00%	8.00%

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

A quantitative sensitivity analysis for significant assumptions is as follows:

**Unfunded plan**

Sensitivity level	As at March 31, 2025		As at March 31, 2024	
	% Decrease in assumption	% Increase in assumption	% Decrease in assumption	% Increase in assumption
<b>Discount rate (- / + 1%)</b>				
Increase/(Decrease) in DBO	0.20	(0.19)	0.21	(0.18)
<b>Salary escalation rate (- / + 1%)</b>				
Increase/(Decrease) in DBO	(0.18)	0.20	(0.18)	0.12
<b>Withdrawal rate (- / + 50% of attrition rates)</b>				
Increase/(Decrease) in DBO	0.77	(0.46)	0.28	(0.16)

**Funded plan**

Sensitivity level	As at March 31, 2025		As at March 31, 2024	
	% Decrease in assumption	% Increase in assumption	% Decrease in assumption	% Increase in assumption
<b>Discount rate (- / + 0.5%)</b>				
Increase/(Decrease) in DBO	0.01	(0.01)	*	(0.01)
<b>Salary escalation rate (- / + 0.50%)</b>				
Increase/(Decrease) in DBO	(0.01)	0.01	(0.01)	*
<b>Withdrawal rate (Increase to 110% / decrease to 90%)</b>				
Increase/(Decrease) in DBO	0.02	(0.02)	0.04	(0.04)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

There has been no change in the of valuation from the prior years.

The maturity profile of the defined benefit obligation are as follows:

	As at March 31, 2025	As at March 31, 2024
Within the next 12 months (next annual reporting period)	0.62	0.44
Between 2 and 5 years	1.93	1.51
Between 6 and 10 years	3.10	2.69
Beyond 10 years	2.86	2.17

The average duration of the defined benefit plan obligation for unfunded plan at the end of the reporting period is 7 to 24 years (March 31, 2024: 7 to 24 years).

The average duration of the defined benefit plan obligation for funded plan at the end of the reporting period is 2 years (March 31, 2024: 1.87 years).

The principal demographic assumptions used in the valuation are shown in the table below:

	As at March 31, 2025	As at March 31, 2024
<b>Mortality rate</b>	100% of IALM	100% of IALM
<b>Normal retirement age</b>	2012-14	2012-14
Up to 30 years	60 Years	60 Years
31 - 40 years	18.00%	18.00%
Above 40 years	15.00%	15.00%
	10.00%	10.00%



**NOTE- 41**

**SHARE-BASED PAYMENT**

**Accounting policy**

Employees of the Group 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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 Consolidated 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 expense recognised for employee services received during the year is shown in the following table:

	Year ended March 31, 2025	Year ended March 31, 2024
Expense arising from equity-settled share-based payment transactions (net of cross charge)	7.90	9.04
<b>Total</b>	<b>7.90</b>	<b>9.04</b>

**Entity Name: a) Aditya Birla Digital Fashion Venture Limited**

**a. Aditya Birla Digital Fashion Ventures Limited Employee Stock Option Scheme - 2022**

During the period ended March 31, 2023, i.e. on December 23, 2022, the Board of Directors of the Company ("Board") approved the introduction of an Employee Stock Option Scheme, viz., Aditya Birla Digital Fashion Ventures Limited Employee Stock Option Scheme - 2022 ("Scheme 2022") for issue of Stock Options in the form of Options ("Options") to the identified employees of the Company and of its holding company subject to the approval of the shareholders of the Company. Shareholders of the Company vide its resolution passed at Extra Ordinary General Meeting held on December 23, 2022, approved the introduction of Scheme 2022 and authorised the Board to finalise and implement the Scheme 2022.

Accordingly, under the said Scheme 2022, vide its resolution dated December 30, 2022, the Group commenced granting of options.

**i) Details of grants under the scheme, 2022**

No. of Options/ RSUs	30,601,518
Method of accounting	Fair value
Vesting plan	Graded and Bullet vestings
Exercise period	10 years from the date of grant
Grant date	December 30, 2022 Onwards
Grant/ exercise price (INR per share)	10
Market price on the date of granting of Options (INR per share)	9.48 to 10.64
Method of settlement	Equity

**ii) Vesting conditions:**

- Type 1 (Tranche 1 - 8) : The Options shall vest, subject to continued employment and not on notice period as of respective vesting dates given above.
- Type 2 (Tranche 1 - 8) : The Options shall vest, subject to Achievement of annual performance milestones.
- Type 3 (Tranche 1 - 5, 7 and 8) - The options shall vest, subject to Achievement of target valuation less funding for the year ending March 31, 2026.
- Type 3 (Tranche 6) - The options shall vest, subject to Value of total Aditya Birla group (ABG)/Aditya Birla Fashion and Retail Limited (ABFRL) Holding in the venture at the end of Fiscal year ending March 31st, 2029, is equal to or higher that cumulative Investment Amount plus 20% (twenty percent) IRR on the investment Amount till the aforementioned period.
- Type 4 (Tranche 1 - 8) : Continued employment and not on notice period as of respective vesting dates given above and Minimum Delivered Full Performance ("DFP") rating in the respective year of vesting

**iii) Movement of Options granted**

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	As at March 31, 2025	As at March 31, 2024
	No. of Options	No. of Options
Outstanding at the beginning of the financial year	2,51,84,514	2,11,30,606
Granted during the financial year	54,00,398	40,70,514
Exercised during the financial year*	-	-
Lapsed during the financial year	(6,19,067)	(16,606)
<b>Outstanding at the end of the financial year</b>	<b>2,99,65,845</b>	<b>2,51,84,514</b>
<b>Unvested at the end of the financial year</b>	<b>2,08,69,584</b>	<b>2,25,24,817</b>
<b>Exercisable at the end of the financial year</b>	<b>90,96,261</b>	<b>26,59,697</b>

\* The weighted average share price at the date of exercise of these options are not applicable, as there has been no exercise during the year.





**Aditya Birla Digital Fashion Ventures Limited**
**Notes to the Consolidated financial statements for the year ended March 31, 2025**

(All amounts in Rs. Crores unless otherwise stated)

iv) The following table lists the inputs to the model used for the Options as on grant date:

Particulars	No. of Options
Expected dividend yield (%)	Nil
Expected volatility (%)	40.62% to 41.72%
Risk-free interest rate (%)	6.82% to 7.11%
Weighted average fair value per Option (₹)	4.94 to 5.65
Model used	Binomial Method

Entity Name: Bewakoof Brand Private Limited

**i) Details of grants under the scheme, 2023**

"Bewakoof Brand Private Limited - Employee option scheme 2023" (ESOP 2023) : Employee option Plan was approved by shareholders of the Company vide their special resolution passed at the Annual General Meeting held on September 27, 2023, wherein they have agreed to create, offer, issue and allot up to 5,879 (Five Thousand Eight Hundred and Seventy-Nine) employee stock options ("Options") in the form of equity shares linked to the completion of minimum period of continued employment to the eligible employees of the Company monitored by the Board of Directors. The holders of the vested options are entitled to apply for the one equity share of the Company, in accordance with the terms of the grant.

**ii) Movement of Options granted**

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

Particulars	As at March 31, 2025	As at March 31, 2024
	No. of Options	No. of Options
<b>Outstanding at the beginning of the financial year</b>	1,284	-
Granted during the financial year	95	1,284
Exercised during the financial year*	201	-
Lapsed during the financial year	-	-
<b>Outstanding at the end of the financial year</b>	1,178	1,284
Unvested at the end of the financial year	-	-
Exercisable at the end of the financial year	-	-

Share options outstanding at end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	Share option	
			As at March 31, 2025	As at March 31, 2024
September 27, 2023	30-Oct-24	10	357	424
September 27, 2023	30-Oct-25	10	370	437
September 27, 2023	30-Apr-26	10	356	423
February 04, 2025	03-Feb-26	10	22	-
February 04, 2025	03-Feb-27	10	23	-
February 04, 2025	03-Feb-28	10	24	-
February 04, 2025	03-Aug-28	10	13	-
February 04, 2025	03-Feb-29	10	13	-
<b>Weighted Average Remaining Contractual Life</b>			0.98 Years	1.42 Years

The weighted average fair value of the options granted during the year is Rs 87,810.85 (March 31, 2024 - Rs 87,810.86) per option. The fair value at the grant date is determined independently using binominal model.

The following table lists the inputs to the model used for options:

Particulars	As at March 31, 2025	As at March 31, 2024
Valuation model used	Binomial model	Binomial model
Weighted average fair values at the measurement date in Rs. Per option	88,328.29-88,328.61	87,810.31 - 87,811.31
Dividend yield (%)	0%	0%
Expected volatility (%)	31.4 % - 35 %	38.73% - 44.33%
Risk-free interest rate (%)	6.7 % - 6.71 %	7.13% - 7.41%
Expected life of the options (in years)	1.08 years - 3.08 years	1.09 - 2.59 years
Exercise Price	10.00	10.00
Grant date	February 04, 2025	September 27, 2023



**NOTE- 42**

**COMMITMENTS AND CONTINGENCIES**

**a) Leases**

**Lease commitments as lessee**

The Group has entered into agreements for taking on lease certain office/ store premises, warehouses, factories, property, plant and equipment on lease and license basis. The lease term is for periods ranging from 11 months to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

**Expenses/ Income recognised in the Consolidated Statement of Profit and Loss**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Other income</b>		
Gain on retirement of right-of-use assets (Refer note 31(a))	0.07	0.13
<b>Rent</b>		
Expense relating to short-term leases and low value assets (Refer note 36)	14.38	8.54
<b>Finance cost</b>		
Interest expense on lease liabilities (Refer note 34)	5.33	1.68
<b>Depreciation and amortisation expenses</b>		
Depreciation on right-of-use assets (Refer note 35)	11.65	4.86

**Contractual maturities of lease liabilities**

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

	As at March 31, 2025	As at March 31, 2024
Within one year	21.04	6.97
After one year but not more than five years	75.87	20.24
More than five years	41.76	8.53
<b>Total</b>	<b>138.67</b>	<b>35.74</b>

The initial non-cancellable period of the lease agreement pertaining to stores are up to 3 years, beyond which there is an option for the lessee to continue the lease, which the Group expects to continue after the initial non-cancellable period, accordingly 5 – 9 years has been considered as the lease term. Post such period, the Group has the option to exit the lease by giving a notice period and the Group assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is 25.83 (March 31, 2024: 13.89).

**b) Capital commitments**

	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

**NOTE- 43**

**CONTINGENT LIABILITIES**

	As at March 31, 2025	As at March 31, 2024
<b>Claims against the Group not acknowledged as debts</b>		
Income-tax	11.90	11.56
Goods and services tax (GST)	0.95	0.19
Others	0.06	0.01
<b>Total</b>	<b>12.90</b>	<b>11.76</b>

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its consolidated financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of INR 0.11 as at March 31, 2025 (March 31, 2024: INR Nil)

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group did not have any long-term contracts.

(a) Future cash flows relating to above are determinable only on the receipt of judgment / decision from relevant forum / authorities.

(b) The Group does not expect any reimbursements in respect of the above contingent liabilities.



**NOTE: 44**  
**BUSINESS COMBINATION**

**Acquisitions during the period ended March 31, 2024**

**Business acquisition of TIGC**

Styleverse Lifestyle Private Limited ('SLPL') was incorporated on June 12, 2023. Pursuant to a Business Transfer Agreement dated October 28, 2023, the business of manufacture and retail of apparels under the brand names 'The Indian Garage Co.', 'Freehand' and 'Hardsoda' (or 'TIGC business undertaking') were transferred to SLPL for a total consideration of Rs. 55.

On October 23, 2023, SLPL had entered into a Shareholders Agreement and Share Subscription Agreement with the Company, Mr. Anant Tanted and Mrs. Ishita Anant Tanted. Subsequently, the Company infused an amount of Rs. 140 into SLPL towards subscription of 10,409 equity shares. Pursuant to the infusion and allotment of shares, the Company held 51% equity interest in SLPL with effect from October 30, 2023.

SLPL has been considered as an extension of parent company for acquisition of the TIGC business undertaking. SLPL meets the definition of an 'accounting acquirer' and accordingly, the acquisition of the TIGC business undertaking has been accounted as an acquisition as per *Ind AS 103, Business Combinations*.

During the year ended March 31, 2025, management has completed the purchase price allocation and has determined the fair values of identifiable assets and liabilities acquired. An amount of Rs. 55 has been paid to the Company by erstwhile promoters towards purchase consideration.

In giving effect to the business combination, an amount of Rs. 100.35 has been recorded in 'Other equity', which represents the fair value of the identifiable assets and liabilities attributable to the interest retained by the minority shareholders. Further, since the group does not have present ownership interest in the shares held by NCI shareholders, the Group has de-recognised NCI and created equity share redemption liability. Also Refer Note 23.

The details of assets and liabilities taken over, and resultant goodwill is given below:

Particulars	Amount
<b>ASSETS</b>	
Property, plant and equipment	6.48
Brand	119.00
Other intangible assets	0.02
Right of use asset	11.59
Current assets:	
- Inventories	69.71
- Trade receivables	138.95
- Cash and cash equivalents	0.00
- Other financial assets	0.42
- Other current assets	35.12
	<b>381.29</b>
<b>LIABILITIES</b>	
Non-Current Liabilities:	
- Lease liabilities	11.22
- Other financial liabilities	0.01
- Provisions	0.14
- Deferred tax liabilities	29.94
Current Liabilities:	
- Borrowings	19.98
- Trade payables	148.63
- Other financial liabilities	2.60
- Other current liabilities	48.98
	<b>261.50</b>
<b>Net identifiable assets acquired [Assets less Liabilities] (A)</b>	<b>119.79</b>
<b>Fair value of assets and liabilities transferred attributable to the minority shareholder's interest (Refer Note 21)</b>	<b>100.35</b>
<b>Purchase consideration (C)</b>	<b>55.00</b>
<b>Goodwill (D) = [(B+C)-A]</b>	<b>35.56</b>

Goodwill is attributable to the workforce acquired and profitability of the acquired business. It will not be deductible for tax purposes.

The fair value of acquired trade receivables has been disclosed in the table above. Gross contractual amount of the trade receivables is not materially different from its fair value.

During the year, the Group has completed the Purchase Price Allocation. The table below explains the impact of the purchase price allocation on the amount of assets and liabilities that were recognized in the Consolidated financial statements for the year ended March 31, 2024.

	Re-assessment of assets & liabilities taken-over	Amortization of Brand
<b>Non-current assets</b>		
Goodwill	12.22	-
Other intangible assets (Brand)	0.40	(0.03)
<b>Current assets</b>		
Trade receivables	3.97	-
Other current assets (Right to return asset)	20.36	-
<b>TOTAL - ASSETS</b>	<b>36.95</b>	<b>(0.03)</b>
<b>Equity</b>		
Other equity	(11.74)	(0.03)
<b>Non-current liabilities</b>		
Deferred tax liabilities (net)	0.10	-
<b>Current liabilities</b>		
Trade payables (Provision for discount)	(4.34)	-
Other current liabilities (Refund liability)	52.94	-
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>36.96</b>	<b>(0.03)</b>



**NOTE- 45**

**RELATED PARTY TRANSACTIONS**

**Names of related parties and related party relationship with whom transactions have taken place:**

**Names of related parties**

**Holding company**

Aditya Birla Fashion and Retail Limited

**Associate**

Wrong Private Limited ('Wrogn') (formerly known as 'Universal Sportsbiz Private Limited') (with effect from June 19, 2024)

**Other related parties in which directors are interested and with whom transactions have taken place (Entity controlled by a KMP)**

Aditya Birla Fashion and Retail Jan Kalyan Trust, an entity in which directors of Holding Company are interested

**Key Management Personnel ("KMP")**

Prashanth Aluru

Chief Executive Officer and Whole-time Director

Manoj Fitkariwala

Chief Financial Officer (effective from October 28, 2024) \*

Pawan Kesarwani

Chief Financial Officer (effective till 4 April 2024) \*

Sonia Bhandari

Company Secretary (effective from February 5, 2025) \*

Yoshita Vora

Company Secretary (effective till November 06, 2024) \*

Jagdish Bajaj

Director \*

Ashish Dikshit

Director \*

Aryaman Vikram Birla

Director \*

Sangeeta Tanwani

Director \*

\*No transactions noted in the current year

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

Particulars	Year ended March 31, 2025			
	Holding Company	Associate	KMP	Other related parties
Reimbursement for legal and professional fees	4.58	-	-	-
Reimbursement of expenses	0.06	0.10	-	-
Issue of OCRPS	100.00	-	-	-
Loans taken	30.00	-	-	-
Loans repaid	30.00	-	-	-
Reimbursement received of TDS on ESOP	0.09	-	-	-
Reimbursement of other expenses	0.38	-	-	-
Reimbursement relating to employee transfer	0.21	-	-	-
Investment made - equity shares	-	23.09	-	-
Investment made - preference shares	-	125.00	-	-
Security deposit given	-	0.11	-	-
Interest expense on OCRPS	19.43	-	-	-
Interest Expense	0.07	-	-	-
Revenue from operations	7.35	-	-	-
CSR Expenditure	-	-	-	0.14
Remuneration paid to KMP <sup>#</sup>	-	-	5.58	-

Particulars	Year ended March 31, 2024			
	Holding Company	Associate	KMP	Other related parties
Reimbursement for legal and professional fees	4.00	-	-	-
Reimbursement of expenses	0.18	-	-	-
Issue of OCRPS	150.00	-	-	-
Reimbursement received of TDS on ESOP	0.13	-	-	-
Investment made - equity shares	184.50	-	-	-
Interest expense on OCRPS	5.17	-	-	-
Sale of traded goods	1.32	-	-	-
Purchase of stock in trade	0.17	-	-	-
Insurance liability	(0.29)	-	-	-
Purchase of property, plant and equipment	(0.02)	-	-	-
Employee Liability transfer	0.01	-	-	-
Remuneration paid to KMP <sup>#</sup>	-	-	10.38	-

<sup>#</sup>The Company has obtained a special resolution from shareholders for managerial remuneration aggregating to INR 5.58 (March 31, 2024: INR 10.38) paid to the whole time director.



**NOTE- 45**  
**RELATED PARTY TRANSACTIONS (Continued)**

**Balances outstanding**

Particulars	As at March 31, 2025			
	Holding Company	Associate	KMP	Other related parties
Amounts owed to related parties	0.74	-	-	-
Amounts owed by related parties	5.44	-	-	-
OCRPS	238.56	-	-	-
Security deposit	-	0.11	-	-
Interest accrued on OCRPS	24.59	-	-	-

**Balances outstanding**

Particulars	As at March 31, 2024			
	Holding Company	Associate	KMP	Other related parties
Amounts owed to related parties	0.38	-	-	-
Amounts owed by related parties	0.50	-	-	-
Refund Liability	0.50	-	-	-
OCRPS	145.56	-	-	-
Interest accrued on OCRPS	5.17	-	-	-

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial years through examining the financial position of the related party and the market in which the related party operates.

**Compensation of KMP of the Company**

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Short-term employee benefits	5.25	7.05
Post-employment benefits	0.08	0.51
Employees share based payment	0.25	2.82
<b>Total</b>	<b>5.58</b>	<b>10.38</b>

**NOTE- 46**

**SEGMENT INFORMATION**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ('CODM'). The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole. The Chief Executive Officer ('CEO') has been identified as the CODM. The CODM has evaluated the performance of the Group based on Single operative segment for the purpose of allocation of resources and evaluating financial performance. The Group is domiciled in India and all of its revenue comes from India. There are no assets held by the Group outside India. There are revenue to certain external customers which is 10% or more of the corresponding total revenue of the group.

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**NOTE- 47**

**FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES**

**A. Accounting classification and fair values**

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 are as follows:

**As at March 31, 2025**

Particulars	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair Value		
					Level 1	Level 2	Level 3
<b>Financial assets</b>							
Investments (Refer Note - 6 & 13)	109.43	-	130.52	239.95	109.43	-	-
Security deposits (Refer Note 7 & 14)	-	-	7.06	7.06	-	-	-
Trade receivables (Refer Note - 15)	-	-	205.47	205.47	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	1.11	1.11	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.13	0.13	-	-	-
Other financial assets (Refer Notes - 8 and 18)	29.50	-	0.50	30.00	-	-	29.50
<b>Total</b>	<b>138.93</b>	<b>-</b>	<b>344.79</b>	<b>483.72</b>	<b>109.43</b>	<b>-</b>	<b>29.50</b>
<b>Financial liabilities</b>							
Non-current borrowings (Refer Note - 22)	-	-	586.74	586.74	-	-	-
Current borrowings (Refer Note - 25)	-	-	143.57	143.57	-	-	-
Trade payables (Refer Note - 26)	-	-	218.95	218.95	-	-	-
Other financial liabilities (Refer Notes - 23 and 27)	170.10	-	21.45	191.55	-	-	170.10
<b>Total</b>	<b>170.10</b>	<b>-</b>	<b>970.71</b>	<b>1,140.81</b>	<b>-</b>	<b>-</b>	<b>170.10</b>

**As at March 31, 2024**

Particulars	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair Value		
					Level 1	Level 2	Level 3
<b>Financial assets</b>							
Investments (Refer Note - 13)	47.20	-	-	47.20	47.20	-	-
Security deposits (Refer Note 7 & 14)	-	-	2.50	2.50	-	-	-
Trade receivables (Refer Note - 15)	-	-	224.53	224.53	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	3.37	3.37	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	2.66	2.66	-	-	-
Other financial assets (Refer Notes - 8 and 18)	-	-	0.14	0.14	-	-	-
<b>Total</b>	<b>47.20</b>	<b>-</b>	<b>233.20</b>	<b>280.40</b>	<b>47.20</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>							
Non-current borrowings (Refer Note - 22)	-	-	152.02	152.02	-	-	-
Current borrowings (Refer Note - 25)	-	-	68.12	68.12	-	-	-
Trade payables (Refer Note - 26)	-	-	212.76	212.76	-	-	-
Other financial liabilities (Refer Notes - 23 and 27)	150.70	-	30.77	181.47	-	-	150.70
<b>Total</b>	<b>150.70</b>	<b>-</b>	<b>463.67</b>	<b>614.37</b>	<b>-</b>	<b>-</b>	<b>150.70</b>

\*Carrying value of financial instruments measured at amortised cost equals to the fair value.

**Key inputs for level 1 and 3 fair valuation techniques**

- Derivative Instruments
  - Option contracts: Fair value of option contracts is determined basis valuation performed by independent valuer appointed by the Group (level 3)
- Investment:
  - Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)



**NOTE: 47**

**FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**Valuation inputs and relationships to fair value**

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used (refer above notes for valuation technique adopted):

**Financial instruments measured at fair value**

Particulars	Fair Value As at March 31, 2025	Significant unobservable inputs	Fair Value Increase by 0.50%	Fair Value Decrease by 0.50%	Sensitivity
Call Option	29.5	Risk adjusted discount rate	30.80	28.50	Increase in discount rate by 0.50% would increase the fair value by INR 1.30 and decrease in discount rate by 0.50% would decrease the fair value by INR 1.00.
		EBITDA margin projection	29.30	30.30	Increase in margin by 0.50% would decrease the fair value by INR 0.20 and decrease in margin by 0.50% would increase the fair value by INR 0.80.
		Revenue projection	28.90	30.10	Increase in revenue by 0.50% would decrease the fair value by INR 0.60 and decrease in revenue by 0.50% would increase the fair value by INR 0.60.
Put Option	7.60	Risk adjusted discount rate	7.50	7.70	Increase in discount rate by 0.50% would decrease the fair value by INR 0.10 and decrease in discount rate by 0.50% would increase the fair value by INR 0.10.
		EBITDA margin projection	7.70	7.50	Increase in margin by 0.50% would increase the fair value by INR 0.10 Crore and decrease in margin by 0.50% would decrease the fair value by INR 0.10.
		Revenue projection	7.70	7.50	Increase in revenue by 0.50% would increase the fair value by INR 0.10 and decrease in revenue by 0.50% would decrease the fair value by INR 0.10.
Non-controlling interest call/ put option	162.50	Risk adjusted discount rate	162.50	162.50	Increase or decrease in discount rate by 0.50% would not change the fair value.
		EBITDA margin projection	158.70	166.10	Increase in EBITDA margin by 0.50% would decrease fair value by INR 3.80 and decrease in discount rate by 0.50% would increase change the fair value by INR 3.60 .
		Revenue projection	161.60	163.40	Increase in revenue by 0.50% the fair value would decrease fair value by INR 0.90 and decrease in discount rate by 0.50% would increase change the fair value by INR 0.90.

**B. Risk management objectives and policies**

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree 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.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt, derivatives and the proportion of financial instruments in foreign currencies are all constant.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

**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 the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

**Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

	As at March 31, 2025	As at March 31, 2024
<b>Basis points (%)</b>		
Increase/ decrease in Profit/ loss before tax	0.50%	0.50%
Increase/ decrease in Profit/ loss after tax	(0.68)	(0.37)
	0.68	0.37

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.



**NOTE: 47**

**FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency. Group's foreign risk for the year ended March 31, 2025 and March 31, 2024 are insignificant.

**b) Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

The Company's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2025 and March 31, 2024 is the carrying amount as provided in Note - 15.

**Trade receivables**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to INR 205.47 crores (March 31, 2024: INR 224.53 crores). Trade receivables are typically unsecured and are derived from revenue earned from customers entirely located in India. Credit risk has always been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business.

On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as the Group's historical experience for customers and adjusted for forward-looking information. An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

**c) Liquidity risk**

The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures and preference shares. Approximately, 31.62% of the Group's debt will mature in less than one year (March 31, 2024: 49.01%) based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding. The Group believes that the working capital is sufficient to meet its current requirements.

The below tables summarises the maturity profile of the Group's financial liabilities based on contractual payments.

As at March 31, 2025	Less than 1 year	1 to 5 years	More than 5 years	Total
			years	
<b>Non-derivative liabilities</b>				
Borrowings (other than preference shares)	143.57	323.59	-	467.16
OCRPS	-	263.15	-	263.15
Lease liabilities	21.04	75.87	41.76	138.67
Other financial liabilities	21.01	170.54	-	191.55
Trade payables	218.95	-	-	218.95
<b>Total non-derivative liabilities</b>	<b>404.57</b>	<b>833.15</b>	<b>41.76</b>	<b>1,279.48</b>
<b>Derivatives</b>				
Other financial liabilities - Derivative - Liability	-	7.60	-	7.60
<b>Total non-derivative liabilities</b>	<b>-</b>	<b>7.60</b>	<b>-</b>	<b>7.60</b>
<b>As at March 31, 2024</b>	<b>Less than 1 year</b>	<b>1 to 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
			years	
Borrowings (other than preference shares)	68.12	1.28	-	69.40
OCRPS	-	150.74	-	150.74
Lease liabilities	6.97	20.24	8.53	35.74
Other financial liabilities	30.66	150.81	-	181.47
Trade payables	212.76	-	-	212.76
<b>Total</b>	<b>318.51</b>	<b>323.07</b>	<b>8.53</b>	<b>650.11</b>

**Excessive risk concentration**

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is leader in apparels in the country and has a diversified portfolio of brands.



**NOTE: 47**

**FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**d) Price risk**

The Group invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Group has invested, such price risk is not significant.

The sensitivity analysis has been prepared by the management is based on the financial assets and liabilities held as at March 31, 2025.

**NOTE: 48**

**CAPITAL MANAGEMENT**

The Group'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 Group is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Group 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 Group (debts excludes lease liabilities):

	As at March 31, 2025	As at March 31, 2024
Short-term debts	143.57	68.12
Long-term debts	586.74	152.02
Total borrowings	730.31	220.14
Total Equity	(39.72)	225.11

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Group has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and March 31, 2024.

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**Aditya Birla Digital Fashion Ventures Limited**  
**Notes to the Consolidated financial statements for the year ended March 31, 2025**  
(All amounts in Rs. Crores unless otherwise stated)

**NOTE- 49**

**ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013**

The consolidated financial statements of the Group include subsidiaries and associate listed in the table below:

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income/ (loss)		Share in total comprehensive income	
	As at March 31, 2025		Year ended March 31, 2025		Year ended March 31, 2025		Year ended March 31, 2025	
	As % of consolidated net assets/ (liabilities)	INR	As % of consolidated profit / (loss)	INR	As % of consolidated OCI	INR	As % of consolidated Total OCI	INR
<b>Parent</b>								
Aditya Birla Digital Fashion Ventures Limited	753.50%	299.29	(25.84)%	(69.32)	(114.29)%	(0.08)	(25.87)%	(69.40)
<b>Subsidiaries</b>								
Awesomfab Shopping Private Limited	3.70%	1.47	(2.44)%	(6.54)	0.00	-	(2.44)%	(6.54)
Bewakoof Brands Private Limited	69.41%	27.57	(27.29)%	(73.21)	(71.43)%	(0.05)	(27.30)%	(73.26)
Imperial Online Services Private Limited	29.13%	11.57	(1.62)%	(4.35)	(14.29)%	(0.01)	(1.62)%	(4.36)
Pratyaya E-Commerce Private Limited	(29.41)%	(11.68)	(2.97)%	(7.98)	(57.14)%	(0.04)	(2.99)%	(8.02)
Next Tree Products Private Limited	(18.81)%	(7.47)	(0.50)%	(1.33)	0.00%	-	(0.49)%	(1.33)
Styleverse Lifestyle Private Limited	571.98%	227.19	(8.43)%	(22.61)	100.00%	0.07	(8.40)%	(22.54)
Adjustments arising out of consolidation / eliminations	(1,479.51)%	(587.66)	(13.89)%	(37.26)	71.43%	0.05	(13.87)%	(37.21)
<b>Associate</b>								
<b>Wrogn Private Limited</b>								
Adjustments arising out of consolidation / eliminations	Not applicable		(6.55)%	(17.57)	-	-	(6.55)%	(17.57)
Non-controlling interests in all subsidiaries	Not applicable		(10.46)%	(28.07)	(14.29)%	(0.01)	(10.47)%	(28.08)
<b>Total</b>	<b>(100.00)%</b>	<b>(39.72)</b>	<b>(100.00)%</b>	<b>(268.24)</b>	<b>(100.00)%</b>	<b>(0.07)</b>	<b>(100.00)%</b>	<b>(268.31)</b>

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit / (loss)		Share in other comprehensive income/ (loss)		Share in total comprehensive income	
	As at March 31, 2024		Year ended March 31, 2024		Year ended March 31, 2024		Year ended March 31, 2024	
	As % of consolidated net assets/ (liabilities)	INR	As % of consolidated profit / (loss)	INR	As % of consolidated OCI	INR	As % of consolidated Total OCI	INR
<b>Parent</b>								
Aditya Birla Digital Fashion Ventures Limited	158.91%	357.72	(51.04)%	(107.31)	200.00%	0.10	(50.98)%	(107.21)
<b>Subsidiaries</b>								
Awesomfab Shopping Private Limited	1.34%	3.02	(1.73)%	(3.64)	0.00%	-	(1.73)%	(3.64)
Bewakoof Brands Private Limited	23.05%	51.88	(49.02)%	(103.07)	(40.00)%	(0.02)	(49.02)%	(103.09)
Imperial Online Services Private Limited	1.75%	3.93	(2.46)%	(5.17)	80.00%	0.04	(2.44)%	(5.13)
Pratyaya E-Commerce Private Limited	(5.85)%	(13.17)	(3.62)%	(7.62)	(40.00)%	(0.02)	(3.63)%	(7.64)
Next Tree Products Private Limited	(2.73)%	(6.14)	(1.31)%	(2.75)	0.00%	-	(1.31)%	(2.75)
Styleverse Lifestyle Private Limited	108.92%	245.20	2.35%	4.95	(220.00)%	(0.11)	2.30%	4.84
Adjustments arising out of consolidation / eliminations	(185.39)%	(417.33)	6.82%	14.35	(80.00)%	(0.04)	6.80%	14.31
<b>Total</b>	<b>100.00%</b>	<b>225.11</b>	<b>(100.00)%</b>	<b>(210.26)</b>	<b>(100.00)%</b>	<b>(0.05)</b>	<b>(100.00)%</b>	<b>(210.31)</b>

**GROUP INFORMATION**

The consolidated financial statements of the Group include subsidiaries and an associate listed in the table below:

Name of the entity	Relationship with Company	Country of incorporation	Principal Activities	Proportion of ownership interest and voting power held by Parent	
				As at March 31, 2025	As at March 31, 2024
Awesomfab Shopping Private Limited	Subsidiary	India	Manufacturing and retailing	66.06%	54.97%
Bewakoof Brands Private Limited	Subsidiary	India	Retailing	87.71%	86.82%
Imperial Online Services Private Limited	Subsidiary	India	Retailing	79.77%	61.00%
Pratyaya E-Commerce Private Limited	Subsidiary	India	Retailing	82.24%	76.03%
Next Tree Products Private Limited	Step-subsiary	India	Retailing	87.64%	86.82%
Styleverse Lifestyle Private Limited	Subsidiary	India	Manufacturing and retailing	51.00%	51.00%
Wrogn Private Limited	Associate	India	Retailing	32.84%	-





**NOTE- 50**  
**SUMMARY OF OTHER ACCOUNTING POLICIES**

**(i) Investment Properties**

Investment property is freehold land and structure, held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, used in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes. Fair value is determined on the basis of assessable market value of the property as per rate specified by Government Authority. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Group considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Consolidated Statement of Profit and Loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment properties the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment properties only when there is a change in use. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes

**(ii) Fair value measurements and hierarchy**

The Group measures financial instruments, such as investments (other than equity investments in joint ventures) and derivatives at fair value at each Consolidated 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 Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances, and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised 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 recognised in the consolidated financial statements on a recurring basis, the Group 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.

**(iii) 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 capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur in the Consolidated statement of profit and loss.

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

**(iv) Taxes**

**Current tax**

The Income tax expense or credit for the period is the tax payable on the current year'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 recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. However, the deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or from initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or losses at the time of the transaction.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred tax assets are 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.

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



**NOTE- 50**

**SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)**

**(v) Financial instruments**

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

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

Financial assets 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 statement of profit and loss are recognised immediately in the Consolidated 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 market place are 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 Group 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). Interest income is recognised in the Consolidated statement of profit and loss and is included in the 'Other income' line item.

**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. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated statement of profit and loss. The Group has not designated any debt instrument as at FVTOCI.

**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.

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 recognising 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 statement of profit and loss. The net gain or loss recognised in the Consolidated 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 Group'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.

Call and put options over shares in the acquired subsidiaries and an associate is initially recognised as a financial asset and liabilities respectively at fair value, with subsequent changes in fair value recognised in the Consolidated statement of profit and loss.

**Impairment of financial assets:**

The Group follows the simplified approach method for computing the expected credit loss. The Group is majorly having transaction with Business to Business (B2B), market places and with direct to customers (D2C) through payment gateways, hence the Group has assessed the provision for loss allowances on an individual case basis.

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

**(b) Non derivative financial liabilities**

**(I) Classification as debt or equity**

Debt and equity instruments issued by the Group 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 Group are recognised at the proceeds received, net of direct issue costs.

**(2) Financial liabilities:**

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

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



**NOTE- 50**

**SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)**

**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 Group 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 group 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 Group's documented risk management or investment strategy, and information about the Group 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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Consolidated 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 statement of profit and loss, in which case these effects of changes in credit risk are recognised in the Consolidated statement of profit and loss. The remaining amount of change in the fair value of liability is always recognised in the Consolidated 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 Consolidated 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 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 recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated 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 is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

**(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, the exchange differences are recognised in the Consolidated statement of profit and loss.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Consolidated statement of profit and loss.

**De-recognition of financial assets and financial liabilities**

The Group de-recognises 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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 statement of profit and loss, if such gain or loss would have otherwise been recognised in the Consolidated statement of profit and loss on disposal of that financial asset.

The Group de-recognises financial liabilities only when the Group'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 Consolidated statement of profit and loss.

**Offsetting financial instruments**

Financial assets and liabilities are offset, and the net amount is reported in the 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 realise 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.





**NOTE- 50**

**SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)**

**(vi) 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, its 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 Group 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 Consolidated statement of profit and loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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 Group (Refer Note 42).

Claims against the Group, 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 Consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**(vii) Employee benefits**

**(a) Short-term employee benefits**

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

**(b) Defined contribution plan**

The Group makes defined contribution to the Government Employee Provident Fund, which is recognised in the Consolidated statement of profit and loss, on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

**(c) Defined benefit plan**

The Group operates a defined benefit gratuity plan in India. The gratuity is unfunded and is managed within the Group. The Group'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 Consolidated Statement of balance sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in the 'Employee benefits expense' in the Consolidated Statement of Profit and Loss. Re-measurement gains or losses (excluding amounts included in Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under OCI in other equity. Remeasurements gains or losses are not reclassified subsequently to the Consolidated statement of profit and loss.

**(d) Compensated absences**

The employees and directors of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash, at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation in the Consolidated Statement of Profit and Loss.

The Group presents the provision for compensated absences as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement beyond a period of twelve months after the reporting date.

**(viii) Share-based payment**

Employees of the Group 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 Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group 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 Consolidated 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.

For cash-settled share-based payment, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability using a binomial method. At the end of each reporting period until the liability is settled and at the date of settlement, the fair value of the liability is re-measured, with any changes in the fair value recognised in 'Employee benefits expense' in the Consolidated Statement of Profit and Loss for the year.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued or sold, is recognised in capital reserve. Share options exercised during the reporting period are settled with treasury shares.

**(ix) Cash and cash equivalents**

Cash and cash equivalents includes cash on hand and deposits held at call with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(x) Inventories**

Raw materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable 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

Traded goods, work-in-progress and finished goods are valued at cost or net realisable 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. 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 realisable 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.



**NOTE- 50**

**SUMMARY OF OTHER ACCOUNTING POLICIES (Continued)**

**(xi) Property, Plant and equipment**

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost includes taxes, duties, freight and other incidental expenses, related to the acquisition of the asset concerned.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group, and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated statement of profit and loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Consolidated Statement of Profit and Loss within other gains/(losses).

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.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(xii) Intangible assets**

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Consolidated statement of profit and loss, in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful 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 intangible assets are reviewed at least at the end of each reporting period and changes if any, made on prospective basis. The amortisation expense is recognised in the Consolidated statement of profit and loss.

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 Consolidated statement of profit and loss when the asset is de-recognised.

**(xiii) Business combination and goodwill**

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Consolidated statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

**NOTE- 51**

**INTEREST IN ASSOCIATE**

Wrong Private Limited is associate of the Group and has been accounted as per equity method of accounting. Summarised financial information of the associate, based on its Ind AS financial statements is set out below:

**(a) Summarised Balance Sheet**

Particulars	As at March 31, 2025
Non-current assets	52.19
Current assets	177.20
Non-current liabilities	41.74
Current liabilities	126.94
<b>Net Assets</b>	<b>60.71</b>

**(b) Summarised Statement of Profit and Loss**

Particulars	For the year ended March 31, 2025
Revenue	232.34
Profit / (Loss) for the year	(75.54)
Other comprehensive income / (loss) for the year	(0.27)
<b>Total comprehensive income / (loss) for the year</b>	<b>(75.81)</b>
<b>Group's share of profit/(loss) after tax for the period</b>	<b>(17.57)</b>

**c) Commitments and contingent liabilities in respect of an associate**

Particulars	For the year ended March 31, 2025
i) Share of commitments with other investors of an associate	10.02
ii) Share of contingent liabilities with other investors of an associate	5.71





**NOTE: 52**

**ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

**(i) DETAILS OF BENAMI PROPERTY HELD**

No proceedings have been initiated on or are pending against the Group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

**(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**

The Group and an associate has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

**(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES**

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS**

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

**(v) WILLFUL DEFAULTER**

The Group and an associate has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS**

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year. (Refer Note 52 and

**(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM**

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), with the understanding 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 Group (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group has not received any funds from any person(s) or entity(ies), with the understanding (whether recorded in writing or otherwise) that the Group 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.

**(viii) UNDISCLOSED INCOME**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS), INTANGIBLE ASSETS AND INVESTMENT PROPERTY**

The Group has not revalued its Property, Plant and Equipment (including Right-of-use assets), Intangible assets and Investment property during the current or previous year.

**(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory year.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP  
Chartered Accountants  
ICAI Firm Registration No. 304026E/E300009



**A. J. SHAIKH**  
Partner  
Place: Bengaluru  
Date : May 21, 2025

For and on behalf of the Board of Directors of  
Aditya Birla Digital Fashion Ventures Limited



**PRASHANTH ALURU**  
(Whole-time Director)  
(DIN: 06923683)  
Place: Bengaluru  
Date : May 21, 2025



**ASHISH BIKSHIT**  
(Director)  
(DIN: 01842066)  
Place: Delhi  
Date : May 21, 2025



**SONIA BHANDARI**  
(Company Secretary)  
(M.No.: 20650)  
Place: Mumbai  
Date : May 21, 2025



**MANOJ PITKARIWALA**  
(Chief Financial Officer)  
Place: Mumbai  
Date : May 21, 2025

