S.R. BATLIBOI & ASSOCIATES LLP
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Wrogn Private Limited (formerly Universal Sportsbiz Private Limited)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Wrogn Private Limited (formerly Universal Sportsbiz Private Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income/(Loss), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income/(loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except as stated in Note 44 and 55 to the financial statements that (i) for a software the back-up of books of account and other books and papers maintained in electronic mode was not kept in server physically located in India on a daily basis, and that for another software was not kept in server physically located in India on a daily basis from April 1, 2024 to September 30, 2024; and (ii) for matters stated in the paragraph 2(j).vi. below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

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

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

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

   (f) The modifications relating to maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under section 143(3)(b) of the Act; and paragraph 2(j)vi. below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

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

   (h) The matters described in the Qualified Opinion paragraph of the Report on the internal financial controls in "Annexure 2" to this report, in our opinion, may have adverse effect on the functioning of the Company;

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

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 38(b) to the financial statements;

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

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

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

(b) The management has represented that, to the best of its knowledge and belief no funds have been received by the Company from any person or entity, including foreign entity ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiary") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary; and

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

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

vi. Based on our examination which included test checks and as explained in Note 45 to the financial statements:

(a) the Company has used two accounting software, for maintaining its books of account and purchase records which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in these software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Further, during the course of our audit in respect of accounting software maintaining books of account where the audit trail has been enabled, we did not come across any instance of audit trail feature being tampered with, however in respect of accounting software maintaining purchase records, in the absence of specific configuration, we are unable to comment whether there were any instances of the audit trail feature being tampered with. Additionally, for these software the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years;

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(b) the Company has used an accounting software for maintaining its payroll records which has a feature of recording audit trail (edit log) facility which was not enabled throughout the year for all relevant transactions recorded in the software. Accordingly, we are unable to comment upon whether during the year there was any instance of audit trail feature being tampered with in respect of these accounting software. Additionally, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention; and

(c) the Company, has used two software which are operated by a third-party software service provider, for maintaining price master and inventory records. In the absence of Service Organisation Controls reports covering the relevant period, we are unable to comment on whether audit trail feature of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with, in respect of aforesaid software. Additionally, we are unable to comment whether the audit trail has been preserved by the Company as per the statutory requirements for record retention.

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

S.R. Batliboi & Associates LLP
Bengaluru

per Rajeev Kumar
Partner
Membership Number: 213803
Unique Document Identification Number (UDIN): 25213803BMONDO2075

Place of signature: Bengaluru
Date: May 20, 2025

Annexure 1 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Wrogn Private Limited (formerly Universal Sportsbiz Private Limited)

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

(i)(a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

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

(b) Property, plant and equipment have been physically verified by the management during the year in accordance with a planned program of verifying them which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended March 31, 2025.

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

(ii)(a) Physical verification of inventory has been conducted at reasonable intervals during the year by the management, except for inventories lying with third parties. In our opinion, the coverage and procedure of frequency of such verification by the management is appropriate. Inventories lying with third parties have been confirmed by them as at year end. There were no discrepancies of 10% or more noticed in aggregate for each class of inventory.

(b) As disclosed in Note 18 to the financial statements, the Company has been sanctioned working capital limits in excess of rupees five crores in aggregate from banks and financial institution during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements, filed by the Company with a bank are not in agreement with the unaudited books of accounts of the Company and the details are as follows:

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Quarter ending	Particulars	Value as per books of account (Rupees in Lakhs)	Value as per quarterly return/ statement (Rupees in Lakhs)	Discrepancy (Rupees in Lakhs) *
June 30, 2024	Trade receivables	2,176.20	3,810.55	(1,634.35)
	Other current assets	104.51	134.51	(30.00)
	Trade payables	5,503.71	5,747.08	(243.37)
	Other current liabilities	368.44	297.12	71.32
	Other equity	4,662.64	6,154.11	(1,491.47)
September 30, 2024	Trade receivables	2,787.20	2,856.88	(69.68)
	Trade payables	6,693.35	6,765.72	(72.37)
December 31, 2024	Trade receivables	1,472.35	1,542.36	(70.01)
	Trade payables	6,364.04	6,433.72	(69.68)

* Primarily pertains to book closure entries recorded post submission of returns/statements to bank.

Subsequent to the year end, the Company has filed revised returns/statements with the bank, which are in agreement with the unaudited books of accounts of the Company.

The Company was not required to file any quarterly returns or statements with any other bank or financial institution.

(iii)(a) During the year, the Company has provided interest-free advances in the nature of loans to other parties (i.e. employees) as follows:

	Rupees in Lakhs
Aggregate amount granted during the year - Others (employees)	1.90
Balance outstanding as at the balance sheet date in respect of above cases - Others (employees)	0.25

During the year, the Company has not provided loans, stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) During the year, the terms and conditions of the grant of interest-free advances in the nature of loans to other parties (i.e. employees) are not prejudicial to the Company's interest. During the year, the Company has not made investments, provided guarantees, provided security and granted loans to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted interest-free advances in the nature of loans to other parties (i.e. employees) where the schedule of repayment of principal has been stipulated and the repayment or receipts are regular. Other than the above, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties.

(d) There are no amounts of interest-free advances in the nature of loans granted to other parties (i.e. employees) which are overdue for more than ninety days. Other than the above, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(e) There were no advances in the nature of loans granted to other parties (i.e. employees) which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing advances in the nature of loans given to the same parties. Other than the above, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

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Bengaluru

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

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

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

(vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Act, for the products of the Company.

(vii)(a) Undisputed statutory dues including goods and services tax, provident fund, employee's state insurance, income-tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employee state insurance, income-tax, sales tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues, as applicable, which have not been deposited on account of any dispute, except as follows:

Name of the statue	Nature of dues	Amount disputed (Rupees in Lakhs)	Amount paid under protest (Rupees in Lakhs)	Period to which the amount relates to (financial year)	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1.20	-	2017-2018	Deputy Commissioner of Income Tax
The Haryana Goods & Service Tax Act, 2017	Goods and services tax	1.67	0.08	2017-2018	Excise and Taxation Officer, Gurgaon
		342.88	16.64	2018-2019	
		117.20	-	2020-2021	Deputy Commissioner of State Tax, Gurgaon
The Karnataka Goods & Service Tax Act, 2017	Goods and services tax	71.16	-	2017- 2018	Additional Commissioner of Commercial Taxes
		136.33	6.80	2018- 2019	
		161.25	-	2020-2021	Deputy Commissioner of Commercial Taxes (Audit)

Name of the statue	Nature of dues	Amount disputed (Rupees in Lakhs)	Amount paid under protest (Rupees in Lakhs)	Period to which the amount relates to (financial year)	Forum where dispute is pending
The Karnataka Goods & Service Tax Act, 2017	Goods and services tax	2.10	-	2020-2021	Assistant Commissioner, Division Palwal, CGST
		52.77	-	2021- 2022	Deputy Commissioner of Commercial Taxes, Bangalore
		853.93	-	2021-2022	Assistant Commissioner of Commercial Taxes

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

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

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

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

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

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

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

(b) The Company has complied with provisions of sections 42 and 62 of the Act, as applicable, in respect of the preferential allotment or private placement of shares during the year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of optionally convertible debentures during the year.

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

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

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

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

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

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

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

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

(xvi)(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

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

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

(d) The Group has four Core Investment Companies as part of the Group.

(xvii) The Company has incurred cash losses amounting to Rs. 7,196.49 Lakhs in the current year and amounting to Rs. 3,272.43 Lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 42 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

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

per Rajeev Kumar
Partner
Membership Number: 213803
Unique Document Identification Number (UDIN): 25213803BMONDO2075

Place: Bengaluru
Date: May 20, 2025

Annexure 2 referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Wrogn Private Limited (formerly Universal Sportsbiz Private Limited) ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these 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 these 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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Meaning of Internal Financial Controls with reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2025:

The Company did not have an appropriate internal control system with respect to identification of micro and small enterprises and accrual/payment of interest in respect of delayed payments to these enterprises as per Micro, Small and Medium Enterprises Development Act, 2006, which could potentially result in material misstatement of related balances and presentation in the financial statements.

The material weakness reported in aforesaid paragraph is a continuing material weakness and our report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Act for the year ended March 31, 2024 was also qualified in respect of this matter.

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

S.R. Batliboi & Associates LLP Bengaluru

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2025, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the ICAI, as specified under section 143(10) of the Act, the financial statements of the Company, which comprise the Balance Sheet as at March 31 2025, the Statement of Profit and Loss including the Statement of Other Comprehensive Income/(Loss), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information. The material weakness described above was considered in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2025, financial statements of the Company and this report does not affect our report dated May 20, 2025 which expressed an unqualified opinion on those financial statements.

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

S.R. Batliboi & Associates LLP
Bengaluru

per Rajeev Kumar
Partner
Membership Number: 213803
Unique Document Identification Number (UDIN): 25213803BMONDO2075

Place: Bengaluru
Date: May 20, 2025

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited)
Balance Sheet as at March 31, 2025
(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non- current assets			
Property, plant and equipment	3	596.72	358.46
Intangible assets	4	78.13	182.90
Right-of-use assets	5	3,845.10	2,468.62
Financial assets			
Other financial assets	6	533.34	4,029.71
Income tax assets	7	91.98	161.87
Deferred tax assets (net)	8	-	-
Other non-current assets	9	74.11	2.61
Total non-current assets		**5,219.38**	**7,204.17**
Current assets			
Inventories	10	3,309.38	3,193.67
Right of return assets	10.2	298.30	648.04
Financial assets			
Trade receivables	11	2,823.23	2,787.14
Cash and cash equivalents	12	770.09	60.69
Bank balance other than cash and cash equivalents	13	200.00	200.00
Loans	14	0.25	5.17
Other financial assets	6	7,669.49	4,158.00
Other current assets	9	2,648.79	3,683.72
Total current assets		**17,719.53**	**14,736.43**
Total assets		**22,938.91**	**21,940.60**
Equity and liabilities			
Equity			
Equity share capital	15	1.89	1.89
Instruments entirely in the nature of equity	16	904.08	902.27
Other equity	17	5,165.06	(436.49)
Total equity		**6,071.03**	**467.67**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	-	-
Lease liabilities	19	3,624.02	2,304.00
Other financial liabilities	20	305.19	385.84
Long term provisions	21	221.26	172.71
Other non-current liabilities	22	23.67	3.06
Total non-current liabilities		**4,174.14**	**2,865.61**
Current liabilities			
Contract liabilities	10.1	19.19	1,040.12
Refund liabilities	10.2	541.90	1,135.54
Financial liabilities			
Borrowings	18	1,472.66	6,802.11
Lease liabilities	19	756.86	502.96
Trade payables	23		
Total outstanding dues to micro enterprises and small enterprises		64.22	-
Total outstanding dues to creditors other than micro enterprises and small enterprises		9,089.26	8,424.68
Other financial liabilities	20	411.93	351.11
Short term provisions	21	210.33	230.81
Other current liabilities	22	127.39	119.99
Total current liabilities		**12,693.74**	**18,607.32**
Total liabilities		**16,867.88**	**21,472.93**
Total equity and liabilities		**22,938.91**	**21,940.60**
Summary of material accounting policies	2.1		

The notes referred to above form an integral part of the financial statements.

As per our report of even date

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

per Rajeev Kumar
Partner
Membership No.: 213803

Place: Bengaluru, India
Date: May 20, 2025

For and on behalf of the Board of Directors of
Wrogn Private Limited
(formerly known as Universal Sportsbiz Private Limited)
CIN: U92412KA2012PTC103560

Anjana Reddy Tikkavarapu
Director
DIN : 03434093

Vikramaditya Reddy Tikkavarapu
Director
DIN : 03586648

Shambhu Kumar Bhotika
Chief Financial Officer

Arpita Sudipto Sinha
Company Secretary
Membership No.: A46408

Place: Bengaluru, India
Date: May 20, 2025

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited)
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	24	22,322.97	24,530.45
Other income	25	911.23	2,034.55
Total income		**23,234.20**	**26,565.00**
Expenses			
Purchase of stock-in-trade	26	12,335.57	12,672.96
Changes in inventories of stock-in-trade	27	234.03	3,718.08
Employee benefits expense	28	3,891.25	3,226.76
Finance cost	29	1,235.25	1,644.21
Depreciation and amortisation expense	30	832.00	804.19
Other expenses	31	12,734.59	8,575.42
Total expenses		**31,262.69**	**30,641.62**
(Loss) before exceptional item and tax		**(8,028.49)**	**(4,076.62)**
Exceptional item	9(b)	474.77	(1,600.00)
(Loss) before tax		**(7,553.72)**	**(5,676.62)**
Tax expense			
Current tax		-	-
Deferred tax		-	-
(Loss) for the year		**(7,553.72)**	**(5,676.62)**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods			
Re-measurement (losses) on defined benefit plans		(26.60)	(5.40)
Income tax effect		-	-
Other comprehensive income/(loss) for the year, net of tax		**(26.60)**	**(5.40)**
Total comprehensive income/(loss) for the year		**(7,580.32)**	**(5,682.02)**
Earnings/(loss) per equity share [Nominal value of share Rs 10 (March 31, 2024: Rs 10)]	32		
Basic (Rs.)		(13,735.78)	(16,175.47)
Diluted (Rs.)		(13,735.78)	(16,175.47)
Weighted average number of shares used in computing above			
Basic (Nos.)		54,993	35,094
Diluted (Nos.)		54,993	35,094

Summary of material accounting policies 2.1

The notes referred to above form an integral part of the financial statements.

As per our report of even date

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

S.R. Batliboi & Associates LLP Bengaluru

per Rajeev Kumar
Partner
Membership No.: 213803

Place: Bengaluru, India
Date: May 20, 2025

For and on behalf of the Board of Directors of
Wrogn Private Limited
(formerly known as Universal Sportsbiz Private Limited)
CIN: U92412KA2012PTC103560

WROGN PRIVATE LIMITED BENGALURU

Anjana Reddy
Tikkavarapu
Director
DIN : 03434093

Vikramaditya Reddy
Tikkavarapu
Director
DIN : 03586648

Shambhu Kumar Bhotika
Chief Financial Officer

Arpita Sudipto Sinha
Company Secretary
Membership No.: A46408

Place: Bengaluru, India
Date: May 20, 2025

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited)
Statement of Cash Flows for the year ended March 31, 2025
(All amounts in Indian Rupees Lakhs, unless otherwise stated)

		For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from operating activities			
(Loss) before tax		**(7,553.72)**	**(5,676.62)**
Adjustments to reconcile (loss) before tax to net cash flows:			
Exceptional item		(474.77)	1,600.00
Depreciation and amortisation expense		832.00	804.19
Loss on disposal of property, plant and equipment (net)		44.91	187.27
Employee share based payment expense		664.54	109.66
Bad debts written-off		18.27	-
Loss allowance for trade receivables (net)		(18.58)	(86.87)
Provision for doubtful advances		38.41	-
Loss on de-recognition of right-of-use asset on sub-lease		54.21	-
(Gain) on termination of leases		(106.57)	(57.55)
Interest income		(666.08)	(604.69)
Finance cost		1,235.25	1,644.21
Operating cash flow before working capital changes		**(5,932.13)**	**(2,080.40)**
Movements in working capital:			
(Increase)/ decrease in Inventories and Right of return assets		234.03	3,718.08
(Increase)/ decrease in Trade receivables		(35.78)	(1,528.22)
(Increase)/ decrease in Other financial assets and loans		(78.57)	192.75
(Increase)/ decrease in Other assets		1,471.29	(188.68)
Increase/ (decrease) in Trade payables and Refund liabilities		135.16	(1,705.79)
Increase/ (decrease) in Other financial liabilities		(81.06)	101.36
Increase/ (decrease) in Contract liabilities		(1,020.93)	1,040.12
Increase/ (decrease) in Provisions		1.47	66.07
Increase/ (decrease) in Other liabilities		3.66	(80.85)
Cash (used in) operations		**(5,302.86)**	**(465.56)**
Income tax refunded/ (paid), net		72.62	(52.48)
Net cash flows (used in) operating activities	**(A)**	**(5,230.24)**	**(518.04)**
B. Cash flow from investing activities			
Purchase of property, plant and equipment including capital advances		(469.31)	(217.87)
Proceeds from sale of property plant and equipment		-	1.53
Investment in bank deposits (having original maturity of more than three months)		(3,417.58)	168.27
Redemption of bank deposits (having original maturity of more than three months)		3,617.15	-
Lease payments received for assets held under finance lease		11.25	-
Interest received		536.67	579.21
Net cash flows generated from investing activities	**(B)**	**278.18**	**531.14**
C. Cash flow from financing activities			
Repayment of long-term borrowings		(905.18)	(1,969.72)
Proceeds/ (repayment) of short term borrowings (net)		(4,430.37)	2,257.02
Repayment of principal portion of lease liabilities		(354.03)	(247.27)
Payment of interest portion of lease liabilities		(525.45)	(404.05)
Proceeds from issue of compulsorily convertible preference shares		12,500.06	-
Proceeds from issue of equity shares		156.12	856.70
Stock options settled in cash		(137.04)	-
Interest paid		(642.65)	(1,167.92)
Net cash flows generated from/ (used in) financing activities	**(C)**	**5,661.46**	**(675.24)**
Net increase/(decrease) in cash and cash equivalents	**(A+B+C)**	**709.40**	**(662.14)**
Cash and cash equivalents at the beginning of the year		60.69	722.83
Cash and cash equivalents at the end of the year		**770.09**	**60.69**
Components of cash and cash equivalents (refer note 12)			
Cash in hand		36.56	46.68
Balance with banks on current account		566.17	14.01
Balance with banks on deposit accounts with original maturity of three months or less		167.36	-
Total cash and cash equivalents		**770.09**	**60.69**
Non-cash financing and investing activities			
Acquisition of Right-of-use assets (refer Note 5)		2,902.77	710.16
Refer Note 17 for change in liabilities arising from financing activities.			

Summary of material accounting policies (refer Note 2.1)
The notes referred to above form an integral part of the financial statements.

As per our report of even date
For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number : 101049W/E300004

S.R. Batliboi & Associates LLP Bengaluru

per Rajeev Kumar
Partner
Membership No.: 213803

Place: Bengaluru, India
Date: May 20, 2025

For and on behalf of the Board of Directors of
Wrogn Private Limited
(formerly known as Universal Sportsbiz Private Limited)
CIN: U92412KA2012PTC103560

WROGN PRIVATE LIMITED BENGALURU

Anjana Reddy Tikkavarapu
Director
DIN : 03434093

Vikramaditya Reddy Tikkavarapu
Director
DIN : 03586648

Shambhu Kumar Bhotika
Chief Financial Officer

Arpita Sudipto Sinha
Company Secretary
Membership No.: A46408

Place: Bengaluru, India
Date: May 20, 2025

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited)

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

(a) Equity share capital (refer Note 15)

	No. of shares	Amount
For the year ended March 31, 2025		
(i) Equity shares of Rs. 10 each issued, subscribed and fully paid		
At April 1, 2024	**18,639**	**1.87**
Issued during the year	183	0.02
At March 31, 2025	**18,822**	**1.89**
(ii) Equity share capital of Rs. 10 each, partly paid up by Re. 0.50 per share		
At April 1, 2024	**4,282**	**0.02**
Forfeited during the year	(4,282)	(0.02)
At March 31, 2025	-	-
For the year ended March 31, 2024		
(i) Equity shares of Rs. 10 each issued, subscribed and fully paid		
At April 1, 2023	**9,781**	**0.98**
Issued during the year	8,567	0.86
Conversion of preference shares to equity shares	291	0.03
At March 31, 2024	**18,639**	**1.87**
(ii) Equity share capital of Rs. 10 each, partly paid up by Re. 0.50 per share		
At April 1, 2023	**4,282**	**0.02**
Issued during the year	-	-
At March 31, 2024	**4,282**	**0.02**

	As at March 31, 2025	As at March 31, 2024
Total equity share capital	1.89	1.89

(b) Instruments entirely in the nature of equity - Cumulative Compulsory Convertible Preference Share ("CCCPS") (refer Note 16)

	No. of shares	Amount
For the year ended March 31, 2025		
(i) CCCPS of Rs. 10 each issued, subscribed and fully paid		
At April 1, 2024	**9,022,110**	**902.27**
Issued during the year	18,086	1.81
At March 31, 2025	**9,040,196**	**904.08**
For the year ended March 31, 2024		
(i) CCCPS of Rs. 10 each issued, subscribed and fully paid		
At April 1, 2023	**9,022,949**	**902.30**
Conversion of preference shares to equity shares	(284)	(0.03)
At March 31, 2024	**9,022,665**	**902.27**
(ii) CCCPS of Rs. 10 each issued, subscribed and partly paid		
At April 1, 2023	**189**	-
Forfeited during the year	(189)	-
At March 31, 2024	-	-

	As at March 31, 2025	As at March 31, 2024
Total Cumulative Compulsory Convertible Preference Share Capital	**904.08**	**902.27**

S.R. Batliboi & Associates LLP Bengaluru

WROGN PRIVATE LIMITED BENGALURU

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited)

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, unless otherwise stated)

(c) Other equity (refer Note 17)

For the year ended March 31, 2025

	Reserves and surplus						Money received against share warrants	Total Other equity
	Capital redemption reserve	Capital reserve	Securities premium	Employee share based payment reserve	Retained earnings	Other share based payment reserve (Share warrants)		
As at April 1, 2024	**0.06**	**0.02**	**62,173.14**	**1,049.01**	**(63,658.72)**	-	-	**(436.49)**
(Loss) for the year	-	-	-	-	(7,553.72)	-	-	**(7,553.72)**
Other comprehensive (loss)	-	-	-	-	(26.60)	-	-	**(26.60)**
Total comprehensive income/(loss)	-	-	-	-	**(7,580.32)**	-	-	**(7,580.32)**
Issue of equity shares	-	-	156.10	-	-	-	-	**156.10**
Issue of preference shares	-	-	12,498.25	-	-	-	-	**12,498.25**
Forfeiture of partly paid-up equity shares	-	0.02	-	-	-	-	-	**0.02**
Employee share based payment expense	-	-	-	664.54	-	-	-	**664.54**
Share options settled in cash	-	-	-	(137.04)	-	-	-	**(137.04)**
Transfer to retained earnings on settlement of stock options	-	-	-	(294.20)	294.20	-	-	-
As at March 31, 2025	**0.06**	**0.04**	**74,827.49**	**1,282.31**	**(70,944.84)**	-	-	**5,165.06**

For the year ended March 31, 2024

	Reserves and Surplus						Money received against share warrants	Total Other equity
	Capital redemption reserve	Capital reserve	Securities premium	Employee share based payment reserve	Retained earnings	Other share based payment reserve (Share warrants)		
As at April 1, 2023	**0.06**	-	**61,317.30**	**939.35**	**(58,094.89)**	**118.19**	**0.02**	**4,280.03**
(Loss) for the year	-	-	-	-	(5,676.62)	-	-	**(5,676.62)**
Other comprehensive (loss)	-	-	-	-	(5.40)	-	-	**(5.40)**
Total comprehensive income/(loss)	-	-	-	-	**(5,682.02)**	-	-	**(5,682.02)**
Issue of equity shares	-	-	855.84	-	-	-	-	**855.84**
Conversion of preference shares to equity shares	-	-	-*	-	-	-	-	-*
Forfeiture of share warrants	-	0.02	-	-	118.19	(118.19)	(0.02)	-
Forfeiture of partly paid up preference shares	-	-**	-	-	-	-	-	-**
Employee share based payment expense	-	-	-	109.66	-	-	-	**109.66**
As at March 31, 2024	**0.06**	**0.02**	**62,173.14**	**1,049.01**	**(63,658.72)**	-	-	**(436.49)**

* Represents Rs. (70)

** Represents Rs. 189

There are no changes in equity share capital, preference share capital and other equity due to accounting policy changes or prior period errors.

Summary of material accounting policies (refer Note 2.1)

The notes referred to above form an integral part of the financial statements.

As per our report of even date

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

per Rajeev Kumar
Partner
Membership No.: 213803

Place: Bengaluru, India
Date: May 20, 2025

For and on behalf of the Board of Directors of
Wrogn Private Limited
(formerly known as Universal Sportsbiz Private Limited)
CIN: U92412KA2012PTC103560

Anjana Reddy Tikkavarapu
Director
DIN : 03434093

Vikramaditya Reddy Tikkavarapu
Director
DIN : 03586648

Shambhu Kumar Bhotika
Chief Financial Officer

Arpita Sudipto Sinha
Company Secretary
Membership No.: A46408

Place: Bengaluru, India
Date: May 20, 2025

1. Corporate information

Wrogn Private Limited (formerly known as Universal Sportsbiz Private Limited) was incorporated on April 23, 2012, as a private limited company under the Companies Act and its name was changed to Wrogn Private Limited ("the Company") effective from September 18, 2024. The Company is engaged in the business of sale of outdoor products, with a diversified product profile ranging from apparel to footwear for a range of extreme, recreational and everyday outdoor use under the brand name WROGN. The registered office of the Company is located at Building No. 509, Binnamangala 1st stage, CMH Road, Indiranagar, Bengaluru, Karnataka, India.

The Company's financial statements for the year ended March 31, 2025 were approved by Board of Directors on May 20, 2025.

1.1 Funding of operations

The Company has positive networth of Rs. 6,071.03 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 467.67 Lakhs) and cash and bank balances (including current and non-current bank balances) of Rs. 8,512.85 Lakhs (March 31, 2024: Rs. 8,003.02 Lakhs). However, the Company has accumulated losses of Rs. 70,944.84 Lakhs as at March 31, 2025 (March 31, 2024: Rs. 63,658.72 Lakhs) and the networth of the Company is eroded by such amount. During the current year, the Company has raised funding of Rs. 12,656.18 Lakhs by issue of equity and preference shares. Additionally, the investor has the right to further invest based on the funding requirements of the Company as proposed by the promoters. Accordingly, the management is confident of meeting operating and capital requirements of the Company in the foreseeable future and hence, these financial statements have been prepared under the going concern assumption and no adjustments have been made to the carrying values or classification of assets and liabilities.

1.2 Basis of preparation of financial statements

(a) Statement of compliance and basis of preparation of financial statements

The Company has voluntarily adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) with effect from April 1, 2020. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable. The financial statements have been prepared on an accrual basis under the historical cost convention, except for assets and liabilities that are measured at fair value as required by relevant Ind AS.

This note provides a list of the material accounting policies adopted in the preparation of the financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(b) Functional currency and presentation currency

These financial statements are presented in India Rupee (INR), which is also functional currency of the Company. All the values are rounded off to the nearest lakhs (INR 00,000) unless otherwise indicated.

(c) Current and non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1, "Presentation of Financial Statements". For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

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

2.1 Material accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Revenue from contracts with customer

Revenue from contracts with customer is recognised upon transfer of control of promised goods or services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods or services. To recognize revenues, the Company applies the following five-step approach:

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

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and volume rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

S.R. Batliboi & Associates LLP Bengaluru

WROGN PRIVATE LIMITED BENGALURU

(a) Revenue from contracts with customer (continued)

Contract balances

Contract assets
A contract asset is initially recognised for revenue earned from the sale of goods when the transfer of control has occurred, but the right to payment is still conditional on certain performance obligations, such as completion of additional deliverables. Upon satisfaction of these conditions and establishment of an unconditional right to payment, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment.

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

Trade receivables
A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets.

Assets and liabilities arising from rights of return

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

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

(b) Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Historical cost comprises of the purchase price including duties and non-refundable taxes, borrowing cost if capitalisation criteria's are met, directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management and initial estimate of decommissioning, restoring and similar liabilities. Capital work in progress is stated at cost, net of accumulated impairment loss if any.

Subsequent costs related to an item of property, plant and equipment are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are recognised in statement of profit and loss during the reporting period when they are incurred.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.
Depreciation is calculated using the written down value method over their estimated useful lives. The estimates of useful lives of tangible assets are as follows:

Class of asset	Useful life as per schedule II	Useful life as per Company
Furniture and fixtures	10 years	10 years
Office equipment	5 years	5 years
Computer equipment	6 years for servers 3 years for other than servers	3 years
Plant and equipment	15 years	15 years
Vehicles	8 years	5 years

Leasehold improvements are amortised over the period of the lease or life of the asset whichever is less.

The useful lives have been determined based on technical evaluation done by the management's expert which in certain instances are different from those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The assets residual values and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

(c) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An item of intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gains or losses arising from derecognition are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

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(c) Intangible assets (continued)

The Company amortises intangible assets with a finite useful life using the written down value method over the following periods:

Asset	Useful life
Computer software	3 years
Trademark	10 years
Website	3 years

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:
-The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
-Its intention to complete and its ability and intention to use or sell the asset
-How the asset will generate future economic benefits
-The availability of resources to complete the asset
-The ability to measure reliably the expenditure during development

Subsequent costs related to intangible assets are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

(d) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's cash generating unit's (CGU's) to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the Company operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to other comprehensive income (OCI). For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

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

(e) Borrowing cost

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 or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(f) Leases

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

Company as lessee

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

Right-of-use assets
The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

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(f) Leases (continued)

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset (i.e. 3 to 9 years). The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.1(d) for policy on impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

Short-term leases and leases of low-value assets

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

Extension and termination option

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, i.e., asset given on lease, and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(g) Financial instruments

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.

(i) Financial assets

Initial recognition and measurement

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

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

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

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(g) Financial instruments (continued)

(i) Financial assets (continued)

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- Debt instruments at amortised cost
- Debt instruments at Fair Value Through Other Comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at Fair Value Through Profit and Loss (FVTPL)
- Equity instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI)

Debt instruments at amortised cost
A 'Debt instrument' is measured at the amortised cost if both the following conditions are met:
- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at Fair Value Through Other Comprehensive income (FVTOCI)
A 'Debt instrument' is classified as at the Fair Value Through Other Comprehensive income (FVTOCI) if both of the following criteria are met:
- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent 'solely payments of principal and interest (SPPI)'.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

Debt instrument at Fair Value Through Profit and Loss (FVTPL)
Fair Value Through Profit and Loss (FVTPL) is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as Fair Value Through Other Comprehensive income (FVTOCI), is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Instrument entirely in the nature of equity
An equity instrument that evidences a residual interest in the assets of an entity after deducting all of its liabilities. All instruments that meet the definition of 'Equity' as per Ind AS 32 in its entirety and when they do not have any component of liability, should be considered as having the nature of 'Equity'. Such instruments are the 'Instruments entirely in the nature of equity'.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:
- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Reclassification of financial assets
The Company determines classification of financial assets on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

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(g) Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets
In accordance with Ind AS - 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
• Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance
• Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve month ECL.

(ii) Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. The subsequent measurement of financial liabilities depends on their classification, which is described below.

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

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iv) Compulsory convertible preference shares

Compulsory convertible preference shares (CCPS) are classified as a liability or equity components based on the terms of the contract and in accordance with Ind AS - 32 (Financial instruments: Presentation). CCPS issued by the Company classified as equity is carried at its transaction value and shown within "other equity". CCPS issued by the Company classified as liability is initially recognised at fair value (issue price). Subsequent to initial recognition, such CCPS is fair valued through the statement of profit and loss. On modification of CCPS from liability to equity, the CCPS is recorded at the fair value of CCPS classified as equity and the difference in fair value is recorded as a gain or loss on modification in the statement of profit and loss.

(h) Fair value measurement

'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:
• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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(h) Fair value measurement (continued)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

(i) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and cash flow statement comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(j) Inventories

Stock-in-trade are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First Out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of product and estimated costs necessary to make the sale.

(k) Employee benefits

Short-term obligations
Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current financial liabilities in the balance sheet.

Compensated absences
Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The liabilities for leave balance are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields on government bonds at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined benefit plan - Gratuity
The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have term approximating the term of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Such accumulated re-measurement balances are never reclassified into the statement of profit and loss subsequently. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

Defined contribution plan
Retirement benefit in the form of provident fund scheme is defined contribution plan. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to this scheme as an expenditure, when an employee renders the related service.

(l) Employee share based payment

Employees (including senior executives) of the Company receive remuneration in the form of shared based payment transactions, whereby employees render services as consideration for equity instruments (equity settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using a black Scholes model. That cost is recognised, together with a corresponding increase in employees stock option reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

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(l) Employee share based payment (continued)

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

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

(m) Taxes

Income tax comprises of current tax and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in the other comprehensive income.

Current income tax

Current 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 the countries where the Company operates and generates taxable income. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised for all taxable temporary differences, except:

• When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

• When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

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

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

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

Goods and Services Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of GST/ value added taxes paid, except when the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of other assets/ liabilities in the balance sheet.

(n) Provisions and Contingent Liabilities

Provisions

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

(o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Company has identified one reportable segment based on the dominant source, nature of risks and return and the internal organisation and management structure and for which discrete financial information is available.

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(p) Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the net profit or loss attributable to equity holders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

(q) Significant accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in future periods. The areas involving significant estimates or critical judgements are:

Revenue recognition - Estimate of refund liabilities
The Company provides for sales return based on the trend of previous years. The Company updates its assessment of expected returns yearly and the refund liabilities are adjusted accordingly. Estimates of expected returns are sensitive to changes in circumstances and the Company's past experience regarding returns may not be representative of customers' actual returns in the future.

Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and carry forward tax 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 together with future tax planning strategies.

Defined benefit plans
The cost of the defined benefit gratuity plan and other post-employment benefit and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate and future salary increases. Due to complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. The mortality rate is based on publicly available mortality table in India. The mortality tables tend to change only at interval in response to demographic changes. Further salary increases and gratuity increases are based on expected future inflation rates.

Impairment of financial and non-financial assets
The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. In case of non-financial assets, the Company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

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

Leases
The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease and considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company 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.

2.2 Changes in accounting policies and disclosure - New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(a) Ind AS 117 Insurance Contracts
The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 1, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

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2.2 Changes in accounting policies and disclosure - New and amended standards (continued)

(b) Amendments to Ind AS 116 Leases – Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback. The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendment is effective for annual reporting periods beginning on or after April 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116. The amendments do not have a material impact on the Company's financial statements.

2.3 Standards notified but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company will adopt this new and amended standard, when it become effective.

Lack of exchangeability – Amendments to Ind AS 21

The Ministry of Corporate Affairs notified amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after April 01, 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

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3. Property, plant and equipment

	Furniture and fixtures	Office equipment	Computer equipment	Plant and equipment	Vehicles	Leasehold improvements	Total
Cost							
As at April 1, 2023	**1,141.20**	**230.34**	**31.44**	**6.07**	**3.71**	**340.65**	**1,753.41**
Additions	32.68	23.96	4.36	-	-	49.70	**110.70**
Disposals	(1,036.95)	(191.38)	(8.66)	(6.07)	(3.71)	(15.43)	**(1,262.20)**
As at March 31, 2024	**136.93**	**62.92**	**27.14**	-	-	**374.92**	**601.91**
Additions	124.08	129.35	7.75	-	-	151.08	**412.26**
Disposals	(17.03)	(6.77)	(0.04)	-	-	(68.19)	**(92.03)**
As at March 31, 2025	**243.98**	**185.50**	**34.85**	-	-	**457.81**	**922.14**
Accumulated depreciation							
As at April 1, 2023	**914.44**	**169.18**	**19.37**	**3.31**	**3.21**	**68.26**	**1,177.77**
Charge for the year	36.85	24.65	6.89	0.50	-	94.77	**163.66**
Disposals	(901.37)	(175.47)	(5.01)	(3.81)	(3.21)	(9.11)	**(1,097.98)**
As at March 31, 2024	**49.92**	**18.36**	**21.25**	-	-	**153.92**	**243.45**
Charge for the year	28.63	21.70	5.08	-	-	73.68	**129.09**
Disposals	(8.66)	(2.83)	(0.03)	-	-	(35.60)	**(47.12)**
As at March 31, 2025	**69.89**	**37.23**	**26.30**	-	-	**192.00**	**325.42**
Net book value							
As at March 31, 2024	**87.01**	**44.56**	**5.89**	-	-	**221.00**	**358.46**
As at March 31, 2025	**174.09**	**148.27**	**8.55**	-	-	**265.81**	**596.72**

(a) Refer Note 18 for charge created on property, plant and equipment against borrowings of the Company.
(b) There are no capital work-in-progress as at March 31, 2025 and March 31, 2024.

4. Intangible assets

	Computer software	Trademark	Website	Total
Cost				
As at April 1, 2023	**110.00**	**29.79**	**409.05**	**548.84**
Additions	0.34	2.01	102.77	105.12
Disposals	(81.79)	(29.59)	(171.67)	(283.05)
As at March 31, 2024	**28.55**	**2.21**	**340.15**	**370.91**
Additions	-	10.08	-	10.08
Disposals	-	-	-	-
As at March 31, 2025	**28.55**	**12.29**	**340.15**	**380.99**
Accumulated amortisation				
As at April 1, 2023	**81.85**	**23.30**	**164.28**	**269.43**
Charge for the year	8.90	2.59	165.56	177.05
Disposals	(69.02)	(25.58)	(163.87)	(258.47)
As at March 31, 2024	**21.73**	**0.31**	**165.97**	**188.01**
Charge for the year	3.07	1.77	110.01	114.85
Disposals	-	-	-	-
As at March 31, 2025	**24.80**	**2.08**	**275.98**	**302.86**
Net book value				
As at March 31, 2024	**6.82**	**1.90**	**174.18**	**182.90**
As at March 31, 2025	**3.75**	**10.21**	**64.17**	**78.13**

There are no intangible assets under development as of March 31, 2025 and March 31, 2024.

5. Right-of-use assets

	Building premises	Total
As at April 1, 2023	**2,489.35**	**2,489.35**
Additions*	710.16	710.16
Deletions	(267.41)	(267.41)
Depreciation	(463.48)	(463.48)
As at March 31, 2024	**2,468.62**	**2,468.62**
Additions*	2,902.77	2,902.77
Deletions**	(938.23)	(938.23)
Depreciation	(588.06)	(588.06)
As at March 31, 2025	**3,845.10**	**3,845.10**

* Includes prepaid rent of Rs. 111.44 Lakhs (March 31, 2024: Rs. 28.52 Lakhs) arising on discounting of security deposit.

** Includes Rs. 181.42 Lakhs (March 31, 2024: Nil) towards derecognition arising from sub-lease.

Refer Note 19 for lease liabilities.

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6. Other financial assets

(Financial assets at amortised cost)

	As at March 31, 2025	As at March 31, 2024
Non-current		
Unsecured, considered good		
Security deposits	289.23	246.26
Lease receivables [refer Note 19(d)]	109.09	-
Bank deposits with remaining maturity of more than twelve months*	135.02	3,783.45
	533.34	**4,029.71**
Unsecured, credit impaired		
Security deposits	322.82	322.82
Loss allowance	(322.82)	(322.82)
	-	-
	533.34	**4,029.71**
Current		
Unsecured, considered good		
Security deposits	52.48	72.65
Lease receivables [refer Note 19(d)]	19.37	-
Interest accrued on bank deposits	119.11	58.52
Bank deposits with original maturity of more than twelve months but remaining maturity of less than twelve months*	7,407.74	3,958.88
Other receivables	70.79	67.95
	7,669.49	**4,158.00**

*Includes margin money deposits of Rs. 7,417.07 Lakhs (March 31, 2024: Rs. 7,742.33 Lakhs) towards borrowings of the Company (refer Note 18)

7. Income tax assets

Non current		
Income tax assets	91.98	161.87
	91.98	**161.87**
Current		
Income tax assets (net)	-	-
	-	-

8. Deferred tax assets (net)

The Company has the following unrecognised net deferred tax assets as at year end:

Carry forward losses*	8,741.40	7,362.92
Un-absorbed depreciation	493.96	421.80
Other deferred tax assets	2,263.64	1,771.34
Deferred tax liabilities	(1,033.13)	(641.84)
	10,465.87	**8,914.22**

*The unused tax losses can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year in which the loss was first computed and would expire if not utilised starting from financial year 2026-27 to 2033-34 (March 31, 2024: 2025-26 to 2032-33).

No deferred tax asset has been recognised at the year end as it is not reasonably certain that sufficient taxable income will be will be available in the foreseeable future against which such deferred tax asset can be utilised.

In view of losses, there is no current tax expense for the year ended March 31, 2025 and March 31, 2024 and accordingly, the disclosure of reconciliation of tax expense with accounting profit/(loss) multiplied by statutory income tax rate is not applicable.

9. Other assets

Non-current		
Unsecured, considered good		
Capital advances	74.11	2.61
	74.11	**2.61**
Unsecured, considered doubtful		
Balances with government authorities	460.00	460.00
Allowance for doubtful balances	(460.00)	(460.00)
	-	-
	74.11	**2.61**

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	As at March 31, 2025	As at March 31, 2024
9. Other assets (continued)		
Current		
Unsecured, considered good		
Balances with government authorities [Refer note (a) below]	2,413.48	1,841.14
Prepaid expenses	66.29	68.68
Advance to suppliers [Refer note (b) below]	169.02	1,773.90
	2,648.79	**3,683.72**
Unsecured, considered doubtful		
Advance to suppliers [Refer note (b) below]	1,163.64	1,600.00
Allowance for doubtful balances	(1,163.64)	(1,600.00)
	-	-
	2,648.79	**3,683.72**

(a) Balances with government authorities includes (i) Rs. 23.52 Lakhs (March 31, 2024: Rs. 0.08 Lakh) paid under protest; and (ii) Rs. 2,413.48 Lakhs (March 31, 2024: Rs. 1,841.14 Lakhs) accumulated input tax credits availed under the Goods and Services Tax Laws which the Company is eligible to utilise against payment of output tax liabilities without any time limit. Management is confident of utilising such balances in the future based on the business plan and projections and accordingly no provision has been made as at year end.

(b) Includes advance of Rs. 1,125.23 Lakhs (March 31, 2024: Rs. 3,282.84 Lakhs) to a service provider which is to be adjusted against future advertisement services. Considering delays and uncertainty towards utilisation of this advance against services, during the year ended March 31, 2024, the Company had made provision of Rs. 1,600 Lakhs. During the year ended March 31, 2025, the Company has utilised the advances against services to the extent of Rs. 2,157.61 Lakhs and accordingly the provision of Rs. 474.77 Lakhs have been reversed under exceptional item in the statement of profit and loss.

10. Inventories
(Valued at lower of cost and net realisable value)

Stock-in-trade [includes in transit of Rs. 504.28 Lakhs (March 31, 2024: Rs. 647.16 Lakhs)] *	3,309.38	3,193.67
	3,309.38	**3,193.67**

*Net of provision of Rs. 552.96 Lakhs (March 31, 2024: Rs. 2,044.49 Lakhs). During the year ended, the Company has recognized Rs. Nil (March 31, 2024: Rs. 1,169.63 Lakhs) as expense towards write down in the value of inventories to net realisable value.

10.1 Contract liabilities

Advance from customers	19.19	1,040.12
	19.19	**1,040.12**

Contract liabilities include short-term advances received from customers against sales orders. Revenue recognised from amounts included in contract liabilities at the beginning of the year is Rs 1,040.12 Lakhs (March 31, 2024: Nil).

10.2 Right of return assets and Refund liabilities

Right of return assets	298.30	648.04
	298.30	**648.04**
Refund liabilities arising from rights of return	541.90	1,135.54
	541.90	**1,135.54**

11. Trade receivables
(Financial assets at amortised cost)

Secured, considered good	-	-
Unsecured, considered good	2,823.23	2,787.14
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	320.12	338.70
	3,143.35	**3,125.84**
Loss allowance	(320.12)	(338.70)
	2,823.23	**2,787.14**

(a) Trade receivables are non-interest bearing and are generally on terms of upto 30 days.
(b) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member, except as disclosed in Note 37.

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11. Trade receivables (continued)

(c) Trade receivables ageing schedule:

	Outstanding for following periods from the date of the transaction					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2025						
Undisputed trade receivables - considered good	2,823.23	-	-	-	-	**2,823.23**
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	0.56	87.56	-	213.90	**302.02**
Disputed trade receivables – credit impaired	-	-	-	-	18.10	**18.10**
	2,823.23	**0.56**	**87.56**	-	**232.00**	**3,143.35**
As at March 31, 2024						
Undisputed trade receivables - considered good	2,752.58	34.56	-	-	-	**2,787.14**
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	154.72	-	-	-	183.98	**338.70**
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	2,907.30	**34.56**	-	-	**183.98**	**3,125.84**

12. Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash on hand	36.56	46.68
Balances with banks on current accounts	566.17	14.01
Bank deposits with original maturity of three months or less	167.36	-
	770.09	**60.69**

13. Bank balance other than cash and cash equivalents

Bank deposits with original maturity of less than twelve months*	200.00	200.00
	200.00	**200.00**

*Includes margin money deposits of Rs. Nil (March 31, 2024: Rs. 200.00 Lakhs) towards borrowings of the Company (refer Note 18).

14. Loans

(Financial assets at amortised cost)

Current

Unsecured, considered good		
Loan to employees	0.25	5.17
	0.25	**5.17**

No loans or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any loans or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Further, there are no loans or advances in the nature of loan to promoters, directors, key managerial personnel or related parties.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

15. Equity share capital

Authorised share capital

	Number of shares	Amount
Equity share capital of Rs. 10 each		
As at April 1, 2023	**500,000**	**50.00**
Changes during the year	-	-
As at March 31, 2024	**500,000**	**50.00**
Changes during the year	-	-
As at March 31, 2025	**500,000**	**50.00**

Issued, subscribed and fully paid up

Equity share capital of Rs. 10 each, fully paid up		
As at April 1, 2023	**9,781**	**0.98**
Issued during the year	8,567	0.86
Conversion of preference shares to equity shares	291	0.03
As at March 31, 2024	**18,639**	**1.87**
Issued during the year	183	0.02
As at March 31, 2025	**18,822**	**1.89**

Issued, subscribed and partly paid up

Equity share capital of Rs. 10 each, partly paid up by Re. 0.50 per share		
As at April 1, 2023	**4,282**	**0.02**
Changes during the year	-	-
As at March 31, 2024	**4,282**	**0.02**
Forfeited during the year	(4,282)	(0.02)
As at March 31, 2025	-	-

	As at March 31, 2025	As at March 31, 2024
Total equity share capital	1.89	1.89

(a) Terms/ rights attached to equity shares (including partly paid)

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2025		March 31, 2024	
	No. of shares	Holding percentage	No. of shares	Holding percentage
Equity shares of Rs. 10 each fully paid				
Ms. T Anjana Reddy	8,108	43.08%	8,108	43.50%
Aditya Birla Digital Fashion Ventures Limited	3,058	16.25%	-	-
Mr. Virat Kohli	3,046	16.18%	3,046	16.34%
Accel India IV (Mauritius) Limited	1,457	7.74%	1,457	7.82%
Cornerstone Sport LLP	1,236	6.57%	1,236	6.63%
Mr. Vikramaditya Reddy	1,100	5.84%	1,100	5.90%
Mr. Sachin Ramesh Tendulkar	-	-	2,193	11.77%
Mr. Chamundeshwara Nath	-	-	500	2.68%
Equity shares of Rs. 10 each, Re. 0.50 per share paid up*				
Mr. Virat Kohli	-	-	3,046	71.13%
Cornerstone Sport LLP	-	-	1,236	28.87%

*Forfeited during the year ended March 31, 2025.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

15. Equity share capital (continued)

(c) Details of shares held by promoters:

Class of shares	Promoter name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
For the year ended March 31, 2025						
Equity share capital of Rs. 10 each, fully paid up	Ms. T Anjana Reddy	8,108	-	8,108	43.08%	(0.42%)
Equity share capital of Rs. 10 each, fully paid up	Mr. Vikramaditya Reddy	1,100	-	1,100	5.84%	(0.06%)
For the year ended March 31, 2024						
Equity share capital of Rs. 10 each, fully paid up	Ms. T Anjana Reddy	6,985	1,123	8,108	43.50%	16.08%
Equity share capital of Rs. 10 each, fully paid up	Mr. Vikramaditya Reddy	100	1,000	1,100	5.90%	1000.00%

(d) The Company has not issued any bonus shares or shares for consideration other than cash and has not bought back any shares during the period of five years immediately preceding the reporting date.

(e) For shares reserved for issue under stock options, refer Note 40.

(f) For shares reserved for issue on conversion of preference shares, refer Note 16(a).

16. Instrument entirely in the nature of equity

Authorised share capital

	Number of shares	Amount
Series A 0.01% Cumulative Compulsorily Convertible Preference shares of Rs. 10 each		
As at April 1, 2023	**5,000**	**0.50**
Changes during the year	-	-
As at March 31, 2024	**5,000**	**0.50**
Changes during the year	-	-
As at March 31, 2025	**5,000**	**0.50**
Series A1 0.01% Cumulative Compulsorily Convertible Preference shares of Rs. 10 each		
As at April 1, 2023	**9,000,000**	**900.00**
Changes during the year	-	-
As at March 31, 2024	**9,000,000**	**900.00**
Changes during the year	-	-
As at March 31, 2025	**9,000,000**	**900.00**
0.01% Cumulative Compulsorily Convertible Preference shares of Rs. 10 each		
As at April 1, 2023	**495,000**	**49.50**
Changes during the year	-	-
As at March 31, 2024	**495,000**	**49.50**
Changes during the year	-	-
As at March 31, 2025	**495,000**	**49.50**

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

16. Instrument entirely in the nature of equity (continued)

	As at March 31, 2025	As at March 31, 2024
Issued, subscribed and fully paid up cumulative compulsorily convertible preference share capital		
At the beginning of the year		
3,462 (March 31, 2024: 3,462) 0.01% Series A Cumulative Compulsorily Convertible Preference Shares ("CCCPS") of Rs. 10 each	0.35	0.35
9,000,000 (March 31, 2024: 9,000,000) 0.01% Series A1 CCCPS of Rs. 10 each	900.00	900.00
2,637 (March 31, 2024: 2,637) 0.01% Series B CCCPS of Rs. 10 each	0.26	0.26
921 (March 31, 2024: 921) 0.01% Series B1 CCCPS of Rs. 10 each	0.09	0.09
4,311 (March 31, 2024: 4,311) 0.01% Series C CCCPS of Rs. 10 each	0.43	0.44
4,266 (March 31, 2024: 4,266) 0.01% Series D CCCPS of Rs. 10 each	0.43	0.43
2,373 (March 31, 2024: 2,373) 0.01% Series E CCCPS of Rs. 10 each	0.24	0.26
925 (March 31, 2024: 925) 0.01% Series E2 CCCPS of Rs. 10 each	0.09	0.09
195 (March 31, 2024: 195) 0.01% Series E3 CCCPS of Rs. 10 each	0.02	0.02
195 (March 31, 2024: 195) 0.01% Series E4 CCCPS of Rs. 10 each	0.02	0.02
1,858 (March 31, 2024: 1,858) 0.01% Series F CCCPS of Rs. 10 each	0.19	0.19
575 (March 31, 2024: 575) 0.01% Series F1 CCCPS of Rs. 10 each	0.06	0.06
624 (March 31, 2024: 624) 0.01% Series F2 CCCPS of Rs. 10 each	0.06	0.06
323 (March 31, 2024: 323) 0.01% Series F3 CCCPS of Rs. 10 each	0.03	0.03
	902.27	**902.30**
Changes during the year		
Conversion of CCCPS into equity shares during the year		
Nil (March 31, 2024: 93) 0.01% Series C CCCPS of Rs. 10 each	-	(0.01)
Nil (March 31, 2024: 181) 0.01% Series E CCCPS of Rs. 10 each	-	(0.02)
Nil (March 31, 2024: 10) 0.01% Series F CCCPS of Rs. 10 each	-	-
CCCPS issued during the year		
5,861 (March 31, 2024: Nil) 0.01% Series G CCCPS of Rs. 10 each	0.59	-
12,225 (March 31, 2024: Nil) 0.01% Series G1 CCCPS of Rs. 10 each	1.22	-
	904.08	**902.27**

(a) Terms/ rights attached to compulsorily convertible preference shares

Each holder of Series A, A1, B, B1, C, D, D1, E, E1, E2, E3, E4, F, F1, F2, F3, G and G1 0.01% CCCPS is entitled to receive a preferential cumulative dividend at 0.01% per annum on the par value of each share if declared by the board. Holders of preferential shares shall receive preferential dividend in preference to dividend payable on equity shares and shall participate in any further dividends declared on Equity Shares. Preference shareholders are also entitled to vote in the shareholders meeting.

Holders of Series A, A1, B, B1, C, D, D1, E, E1, E2, E3, E4, F, F1, F2, F3, G and G1 0.01% CCCPS are entitled to participate in the surplus proceeds from the liquidation event, if any, on a pro-rata basis along with all other holders of equity shares on a fully diluted basis. They will be entitled to receive out of the proceeds of such liquidation event an amount higher of :
(i) amount invested by first holders along with all accrued and declared but unpaid dividends thereon and
(ii) if proceeds are insufficient to require payment in full, then entire proceeds distributed rateably among them in proportion to the amounts invested by each one of them.

The holders of the preference shares at their option can require the Company to convert all or a part of Series A, A1, B, B1, C, D, D1, E, E1, E2, E3, E4, F, F1, F2, F3, G and G1 CCCPS held by them into equity shares at any time during the conversion period subject to the terms and conditions of the share holders agreement. All the preference shares shall be converted into equity shares in the ratio as specified by the agreement on occurrence of the any of the following event:
(i) on expiry of the conversion period.
(ii) post 19 years or latest permissible date prior to issue of shares to the public in connection with the qualified IPO
(iii) prior to conversion to Public Limited Company by issue nominal number of shares with disproportionate voting rights pro rata to their shareholding in the Company on a fully diluted basis.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

16. Instrument entirely in the nature of equity (continued)

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

	March 31, 2025		March 31, 2024	
	No. of shares	Holding percentage	No. of shares	Holding percentage
Series A CCCPS of Rs. 10 fully paid up				
Accel India III (Mauritius) Limited	3,462	100.00%	3,462	100.00%
Series A1 CCCPS of Rs. 10 fully paid up				
Accel India III (Mauritius) Limited	9,000,000	100.00%	9,000,000	100.00%
Series B CCCPS of Rs. 10 fully paid up				
Accel Growth III Holding (Mauritius) Limited	2,197	83.31%	2,197	83.31%
Accel India III (Mauritius) Limited	440	16.69%	440	16.69%
Series B1 CCCPS of Rs. 10 fully paid up				
Accel India III (Mauritius) Limited	921	100.00%	921	100.00%
Series C CCCPS of Rs. 10 fully paid up				
Accel Growth III Holding (Mauritius) Limited	2,002	46.44%	2,002	46.44%
Accel India IV (Mauritius) Limited	1,136	26.35%	1,136	26.35%
NB Ventures Limited	1,173	27.21%	1,173	27.21%
Series D CCCPS of Rs. 10 fully paid up				
Accel Growth III Holding (Mauritius) Limited	2,730	63.99%	2,730	63.99%
Accel India IV (Mauritius) Limited	1,365	32.00%	1,365	32.00%
Series E CCCPS of Rs. 10 fully paid up				
Accel Growth III Holding (Mauritius) Limited	1,865	78.59%	1,865	78.59%
Accel India IV (Mauritius) Limited	373	15.72%	373	15.72%
NB Ventures Limited	135	5.69%	135	5.69%
Series E2 CCCPS of Rs. 10 fully paid up				
Accel India IV (Mauritius) Limited	555	60.00%	555	60.00%
Accel Growth III Holding (Mauritius) Limited	370	40.00%	370	40.00%
Series E3 CCCPS of Rs. 10 fully paid up				
Accel India IV (Mauritius) Limited	195	100.00%	195	100.00%
Series E4 CCCPS of Rs. 10 fully paid up				
NB Ventures Limited	195	100.00%	195	100.00%
Series F CCCPS of Rs. 10 fully paid up				
Myntra Designs Private Limited	1,427	76.80%	1,427	76.80%
Accel Growth III Holding (Mauritius) Limited	431	23.20%	431	23.20%
Series F1 CCCPS of Rs. 10 fully paid up				
NB Ventures Limited	575	100.00%	575	100.00%
Series F2 CCCPS of Rs. 10 fully paid up				
Accel India IV (Mauritius) Limited	624	100.00%	624	100.00%
Series F3 CCCPS of Rs. 10 fully paid up				
NB Ventures Limited	323	100.00%	323	100.00%
Series G CCCPS of Rs. 10 fully paid up				
Aditya Birla Digital Fashion Ventures Limited	5,861	100.00%	-	-
Series G1 CCCPS of Rs. 10 fully paid up				
Aditya Birla Digital Fashion Ventures Limited	12,225	100.00%	-	-

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17. Other equity

	As at March 31, 2025	As at March 31, 2024
Capital redemption reserve	0.06	0.06
Securities premium	74,827.49	62,173.14
Retained earnings	(70,944.84)	(63,658.72)
Employee share based payment reserve	1,282.31	1,049.01
Money received against share warrants	-	-
Other share based payment reserve (Share Warrants)	-	-
Capital reserve	0.04	0.02
	5,165.06	**(436.49)**

	As at March 31, 2025	As at March 31, 2024
Capital redemption reserve		
At beginning of the year	**0.06**	**0.06**
Changes during the year	-	-
At end of the year	**0.06**	**0.06**
Securities premium		
At beginning of the year	**62,173.14**	**61,317.30**
Issue of preference shares	12,498.25	-
Issue of equity share capital	156.10	855.84
Conversion of preference share to equity share capital*	-	-
At end of the year	**74,827.49**	**62,173.14**

*Rs. Nil (March 31, 2024: Rs. 70) rounded off to nearest Lakhs.

	As at March 31, 2025	As at March 31, 2024
Retained earnings		
At beginning of the year	**(63,658.72)**	**(58,094.89)**
(Loss) for the year	(7,553.72)	(5,676.62)
Other comprehensive (loss)	(26.60)	(5.40)
Forfeiture of share warrants	-	118.19
Transfer from employee share based payment reserve	294.20	-
At end of the year	**(70,944.84)**	**(63,658.72)**
Employee share based payment reserve		
At beginning of the year	**1,049.01**	**939.35**
Employee stock compensation expense for the year (refer Note 40)	664.54	109.66
Transfer to retained earnings on settlement	(294.20)	-
Amount paid on settlement of vested stock options	(137.04)	-
At end of the year	**1,282.31**	**1,049.01**
Money received against share warrants		
At beginning of the year	-	**0.02**
Forfeiture of share warrants	-	(0.02)
At end of the year	-	-
Other share based payment reserve (Share warrants)		
At beginning of the year	-	**118.19**
Forfeiture of share warrants	-	(118.19)
At end of the year	-	-
Capital reserve		
At beginning of the year	0.02	-
On forfeiture of partly paid up preference shares*	-	-
On forfeiture of partly paid up equity shares	0.02	-
On forfeiture of share warrants	-	0.02
At end of the year	**0.04**	**0.02**

*Rs. Nil (March 31, 2024: Rs. 189) rounded off to nearest lakhs.

Nature and purpose of other reserves:

Capital redemption reserve
Capital redemption reserve equivalent to nominal value of share capital bought back in year ended March 31, 2018 has been created out of securities premium pursuant to section 69 of the Companies Act 2013.

Securities premium account
Securities premium account has been created consequent to issue of shares at premium. The reserve can be utilised in accordance with the provisions of the Companies Act 2013.

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17. Other equity (continued)

Nature and purpose of other reserves (continued):

Retained earnings
Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

Employee share based payment reserve
The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under employee stock option plan of the Company.

Money received against share warrants and other share based payment reserve
During the year ended March 31, 2022, the Company had issued 176 warrants at a price of Rs. 10 per warrant to its debenture holders. The warrant holder at its sole option was entitled to convert each warrant into one equity share within the period of forty two months from the Closing Date as per the Warrant Subscription Agreement ("Agreement") at an exercise price as defined in the Agreement.

Other share based payment reserve represents the grant date fair value of such share based payment arrangements related to share warrants issued to debenture holders which would be utilised at the time of warrant exercise and issue of equity shares. During the year ended March 31, 2024, the warrant holder had waived their rights irrevocably to exercise the warrants issued by the Company and authorised the Company to cancel the warrants without any recourse and forfeit the amount paid against the warrant. Accordingly, the Company had transferred the amount received against such share warrants and the related share based payment reserve to capital reserve and retained earnings respectively.

Capital reserve
Capital reserve represents funds set aside from profits or share premium that are not distributable as dividends to shareholders. These reserves are created for specific purposes and are not derived from normal business operations.

	As at March 31, 2025	As at March 31, 2024
18. Borrowings		
(Financial liabilities at amortised cost)		
Non current		
Secured		
Non-convertible Debentures [refer note (a) below]	-	713.90
Term loan from NBFC [refer note (b) below]	-	185.18
	-	**899.08**
Current maturity of Non-convertible debentures	-	(713.90)
Current maturity of Term loan	-	(185.18)
	-	-
Current		
Secured		
Current maturity of long-term borrowings		
Non-convertible Debentures [refer note (a) below]	-	713.90
Term loan from NBFC [refer note (b) below]	-	185.18
Loans repayable on demand from banks		
Bank overdraft [refer note (c) below]	1,472.66	5,903.03
	1,472.66	**6,802.11**

(a) During the year ended March 31, 2022, the Company had issued non convertible debentures to Spark Alternate Investment Trust amounting to Rs. 3,000.00 Lakhs at interest rate of 14.25 % p.a., repayable on a monthly basis starting from November 2022. The debentures were secured by first pari-passu charge on all present and future movable property, plant and equipment and current assets of the Company and cash collateral of Rs. 200.00 Lakhs in the form of a fixed deposit lien in favour of Debenture Trustee. The debentures were fully repaid during the year ended March 31, 2025.

Further, the Company had issued 176 warrants to debenture holders at a price of Rs. 10 per warrant and the warrant holder at its sole option is entitled to convert each warrant into one equity share within the period of forty two months from the Closing Date as per the Warrant Subscription Agreement at an exercise price as defined in the Agreement. The Company had estimated the value of Share Warrant using the Black Scholes option pricing model and recorded a debt discount of Rs. 118.19 Lakhs which was being amortized over the term of debenture agreement (refer Note 17).

(b) The Company had taken additional term loan of Rs. 1,000.00 Lakhs from Vivriti Capital Private Limited at an interest rate of 16.6% p.a. This was repayable on a monthly basis starting from June 2022. The loan was secured by first pari passu charge over all the current assets and moveable property, plant and equipment of the Company, both current and future and cash collateral as per mutual agreement. The loan was fully repaid during the year ended March 31, 2025.

(c) Bank overdraft are secured against margin money deposits and are repayable on demand or on maturity of fixed deposits. These carry interest in the range of 7.15% to 8.60% p.a. (March 31, 2024: 7.05% to 8.60% p.a.).

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18. Borrowings (continued)

(d) The Company has been sanctioned working capital limits from banks and financial institution on the basis of security of current assets of the Company and the quarterly statements returns filed by the Company with a bank are in agreement with the books of accounts of the Company except as below. The Company is not required to file quarterly returns or statements with any other bank or financial institution.

Particulars	Quarter ending	Value as per books of account	Value as per quarterly return/ statement	Discrepancy*	Whether revised statements filed with bank
Trade receivables	June 30, 2024	2,176.20	3,810.55	(1,634.35)	Yes
Other current assets		104.51	134.51	(30.00)	Yes
Trade payables		5,503.71	5,747.08	(243.37)	Yes
Other current liabilities		368.44	297.12	71.32	Yes
Other equity		4,662.64	6,154.11	(1,491.47)	Yes
Trade receivables	September 30, 2024	2,787.20	2,856.88	(69.68)	Yes
Trade payables		6,693.35	6,765.72	(72.37)	Yes
Trade receivables	December 31, 2024	1,472.35	1,542.36	(70.01)	Yes
Trade payables		6,364.04	6,433.72	(69.68)	Yes

*Primarily related to book closure entries (including carry forward of balances from previous year) recorded post submission of returns / statements with bank.

(e) The table below details change in the Company's liabilities arising from financing activities, including both cash and non-cash changes:

	Lease liabilities	Non-current borrowings (including current maturities)	Current borrowings
As at April 1, 2023	**2,697.55**	**2,827.85**	**3,646.01**
Financing cash flows (net)	(651.32)	(1,969.72)	2,257.02
Non cash changes			
Adjustment towards lease liabilities	760.73	-	-
Adjustment towards loan processing charges and fair value of share warrant rights	-	40.95	-
As at March 31, 2024	**2,806.96**	**899.08**	**5,903.03**
Financing cash flows (net)	(879.48)	(905.18)	(4,430.37)
Non cash changes			
Adjustment towards lease liabilities	2,453.40	-	-
Adjustment towards loan processing charges and fair value of share warrant rights	-	6.10	-
As at March 31, 2025	**4,380.88**	-	**1,472.66**

19. Lease liabilities

(Financial liabilities at amortised cost)

	As at March 31, 2025	As at March 31, 2024
Non current		
Lease liabilities	4,380.88	2,806.96
Less: Current maturity of lease liabilities	(756.86)	(502.96)
	3,624.02	**2,304.00**
Current		
Lease liabilities	756.86	502.96
	756.86	**502.96**

The effective interest rate for lease liabilities is 14.50%, with maturity between 2025-26 to 2033-34.

(a) Changes in lease liabilities during the year:

	As at March 31, 2025	As at March 31, 2024
At beginning of the year	2,806.96	2,697.55
Additions on account of new leases	2,791.33	681.64
Interest for the year (refer Note 29)	525.45	404.05
Payments	(879.48)	(651.32)
Termination of leases	(863.38)	(324.96)
At the end of the year	**4,380.88**	**2,806.96**

(b) The following are the amounts recognised in the statement of profit and loss:

	As at March 31, 2025	As at March 31, 2024
Depreciation expense of right-of-use assets	588.06	463.48
Interest expense on lease liabilities	525.45	404.05
Expense relating to short-term and low-value assets leases (included in other expenses)	135.67	107.18
Income from sub-lease	(72.81)	(66.74)
Total amount recognised in profit or loss	**1,176.37**	**907.97**

The Company had total cash outflow for lease of Rs. 1,015.15 Lakhs (March 31, 2024: Rs. 758.50 Lakhs). There are no leases that have been entered into but not yet commenced as at year end. There are no extension or termination options which are expected to be exercised but not included in lease term.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
19. Lease liabilities (continued)		
(c) The table below provides details regarding the contractual maturities of lease liabilities:		
Less than one year	1,014.81	711.87
One to five years	3,948.81	2,541.96
More than five years	2,150.01	1,135.14
Total	**7,113.63**	**4,388.97**
(d) Following are the amounts recognised in the statement of profit and loss with respect to assets given under finance lease:		
Loss on de-recognition of right-of-use assets on sub-lease	54.21	-
Interest income on Lease receivable	12.50	-
Income relating to variable lease payments not included in the measurement of the net investment in the lease	-	-
	66.71	**-**
20. Other financial liabilities		
(Financial liabilities at amortised cost)		
Non-current		
Deposit from franchisees	305.19	385.84
	305.19	**385.84**
Current		
Deposit from franchisees	115.78	160.93
Employee related liabilities	270.62	187.14
Creditors for capital goods	25.53	1.00
Interest accrued but not due	-	1.31
Other payables	-	0.73
	411.93	**351.11**
21. Provisions		
Non-current		
Gratuity (refer Note 33)	221.26	172.71
	221.26	**172.71**
Current		
Gratuity (refer Note 33)	44.07	59.49
Compensated absences	166.26	171.32
	210.33	**230.81**
22. Other liabilities		
Non-current		
Deferred income on discounting of Franchisee deposits	23.67	3.06
	23.67	**3.06**
Current		
Statutory dues payable	122.56	118.90
Deferred income on discounting of Franchisee deposits	4.83	1.09
	127.39	**119.99**
23. Trade payables		
(Financial liabilities at amortised cost)		
Total outstanding dues of micro enterprises and small enterprises [refer note (b) below]	64.22	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9,089.26	8,424.68
	9,153.48	**8,424.68**

(a) Trade payables are non-interest bearing and are normally settled upto 30 to 175 days terms.

(b) The Company has not identified all the micro, small and medium enterprises ("MSME") as at March 31, 2025 and March 31, 2024 and the Company is in the process of taking steps to identify MSME parties.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

23. Trade payables (continued)

	As at March 31, 2025	As at March 31, 2024
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	64.22	-
Interest due on the above	-	-
The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
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 as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

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

(c) Trade payables ageing schedule

	Outstanding for following periods from the date of transaction					
	Unbilled	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
As at March 31, 2025						
Total outstanding dues of micro enterprises and small enterprises	-	64.22	-	-	-	**64.22**
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,364.33	5,623.84	69.49	23.01	8.59	**9,089.26**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	3,364.33	**5,688.06**	**69.49**	**23.01**	**8.59**	**9,153.48**
As at March 31, 2024						
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,882.79	5,481.87	49.97	8.81	1.24	**8,424.68**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
	2,882.79	**5,481.87**	**49.97**	**8.81**	**1.24**	**8,424.68**

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	For the year ended March 31, 2025	For the year ended March 31, 2024
24. Revenue from operations		
Revenue from contracts with customers		
Sale of products*	22,017.64	24,375.43
Other operating revenue**	305.33	155.02
	22,322.97	**24,530.45**

*Men's casual wear, footwear and accessories
**Licensing and royalty income

(a) Disaggregated revenue information

India	22,322.97	24,530.45
Outside India	-	-
Total revenue from contracts with customers	**22,322.97**	**24,530.45**

(b) Contract balances

Trade receivables (refer Note 11)	2,823.23	2,787.14
Contract liabilities (refer Note 10.1)	19.19	1,040.12

(c) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Revenue as per contract price	22,301.40	24,419.76
Discount	(283.76)	(44.33)
Revenue from contract with customers	**22,017.64**	**24,375.43**

25. Other income

Interest income on:		
Deposits with banks	597.26	579.21
Income tax refund	2.73	3.62
Financial assets at amortised cost	66.09	21.86
	666.08	**604.69**
Gain on early termination of leases	106.57	57.55
Income from sub-lease	72.81	66.74
Loss allowance for trade receivables reversed (net)	18.58	86.87
Miscellaneous income*	47.19	1,218.70
	245.15	**1,429.86**
	911.23	**2,034.55**

*The Company performed detailed balance confirmations and reconciliation in respect of vendors and customers and basis such exercise reversed provisions/accruals of Rs. Nil (March 31, 2024: Rs. 1,185.29 Lakhs) which are no longer required. Management is confident that no liabilities are expected to arise in respect of these balances in future.

26. Purchase of stock-in-trade

Purchase of stock-in-trade	12,335.57	12,672.96
	12,335.57	**12,672.96**

27. Changes in inventories of stock-in-trade

At the end of the year		
Stock-in-trade	3,309.38	3,193.67
Right of return assets	298.30	648.04
Total inventories at the end of the year	3,607.68	3,841.71
At the beginning of the year		
Stock-in-trade	3,193.67	7,061.28
Right of return assets	648.04	498.51
Total inventories at the beginning of the year	3,841.71	7,559.79
Decrease in inventories	**234.03**	**3,718.08**

28. Employee benefits expense

Salaries, wages and bonus	3,195.47	2,950.81
Employee share based payment expense (refer Note 40)	495.61	109.66
Contribution to provident fund and other funds (refer Note 33)	86.86	90.97
Gratuity expense (refer Note 33)	60.40	48.95
Staff welfare expenses	52.91	26.37
	3,891.25	**3,226.76**

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	For the year ended March 31, 2025	For the year ended March 31, 2024
29. Finance costs		
Interest expense on:		
Borrowings	584.70	1,176.56
Lease liabilities	525.45	404.05
Other financial liabilities	88.67	35.03
Other borrowing costs	36.43	28.57
	1,235.25	**1,644.21**
30. Depreciation and amortisation expense		
Depreciation of property, plant and equipment	129.09	163.66
Amortisation of intangible assets	114.85	177.05
Depreciation of right-of-use assets	588.06	463.48
	832.00	**804.19**
31. Other expenses		
Advertisement and business promotion expense [refer note (a) below]	4,917.00	3,049.50
Brand consultancy charges [refer note (b) below]	880.04	-
Commission and related expenses [refer note (c) below]	3,993.16	3,082.83
Power and fuel	93.69	64.09
Freight and forwarding charges	548.05	366.20
Repairs and maintenance		
- Buildings	114.35	92.61
- Others	221.04	188.42
Warehouse fulfilment charges	480.06	693.61
Rent expenses [refer note (d) below]	135.67	107.18
Communication costs	42.12	38.45
Insurance	24.96	1.12
Legal and professional fees [refer note (e) below]	493.95	381.29
Rates and taxes	233.91	144.87
Provision for doubtful advances	38.41	-
Bad debts written-off	18.27	-
Loss on sale / disposal of property, plant and equipment	44.91	187.27
Loss on de-recognition of right-of-use assets on sub-lease	54.21	-
Travelling and conveyance	273.48	116.70
Miscellaneous expenses	127.31	61.28
	12,734.59	**8,575.42**

(a) Includes equity share based payment expense of Rs. 168.93 Lakhs (March 31, 2024: Nil) [refer Note 40 (b)]

(b) Relates to consultancy charges pursuant to brand consultancy services agreement entered into by the Company, which is accounted based on a reasonable estimate by the management. Also refer Note 38(a).

(c) Includes commission payable and other expenses to channel partners in respect of sales which are in the nature of "sale or return" and where revenue is recognised as per secondary sale to the customers.

(d) Rent expense recorded under other expenses are lease rental for short-term leases and other variable payments made for lease arrangements.

(e) Payment to auditors (excluding taxes)

	March 31, 2025	March 31, 2024
Audit services	39.00	34.00
Reimbursement of expenses	1.00	1.00
	40.00	**35.00**

(f) As per section 135 of the Companies Act 2013, a Company having net worth of rupees five hundred crore or more or turnover of rupees one thousand crore or more or net profit of rupees five crore or more during immediately preceding financial year ("threshold"), needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has not met the applicable threshold and hence the requirement to comply with the said section is not applicable to the Company.

32. Earnings/(loss) per share ('EPS')

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2025	March 31, 2024
(Loss) after tax attributable to equity holders of the Company (a)	(7,553.72)	(5,676.62)
Weighted average number of shares outstanding during the year for basic EPS (b)	54,993	35,094
Weighted average number of shares outstanding during the year for diluted EPS (c)*	54,993	35,094
Basic (Loss) per share (in Rs.) (a/b)	(13,735.78)	(16,175.47)
Diluted (Loss) per share (in Rs.) (a/c)	(13,735.78)	(16,175.47)

* The effects of potential equity shares (i.e. employee stock options) are anti-dilutive, hence, the same has been ignored for calculating dilutive loss per share.

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33. Employee benefits obligations

(a) Defined contribution plans

The Company makes contributions for qualifying employees to Provident Fund, Employee state insurance and Labour welfare fund. During the year, the Company recognised Rs. 78.74 Lakhs (March 31, 2024: Rs. 76.39 Lakhs) towards Provident fund contributions, Rs. Nil (March 31, 2024: Rs. 0.04 Lakh) towards Employee State Insurance scheme contributions, Rs. 0.05 Lakh (March 31, 2024: Rs. 0.05 Lakh) towards Labour Welfare fund and Rs. 8.07 Lakhs (March 31, 2024: Rs. 14.49 Lakhs) towards National pension scheme.

(b) Defined benefit plans (unfunded):

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The plan is not funded by the Company.

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

Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.
Liquidity risk	This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.
Salary escalation risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
Demographic risk	The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions made.
Regulatory risk	Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20,00,000).

	As at March 31, 2025	As at March 31, 2024
Current	44.07	59.49
Non-current	221.26	172.71
	265.33	**232.20**

The following sets out changes in defined benefits liability and the amount recognised in the financial statements:

	March 31, 2025	March 31, 2024
At beginning of the year	**232.20**	**194.59**
Current service cost	43.93	35.01
Interest expense	16.47	13.94
Total amount recognised in statement of profit and loss	**60.40**	**48.95**
Benefits paid	**(53.87)**	**(16.74)**
Actuarial (gains)/ losses recognised in OCI arising from		
- changes in demographic assumptions	7.29	(3.84)
- changes in financial assumptions	19.35	5.87
- experience adjustments	(0.04)	3.37
Total amount recognised in other comprehensive income	**26.60**	**5.40**
At end of the year	**265.33**	**232.20**

The principal assumptions used in determining gratuity benefit obligations for the Company's plans are shown below:

	March 31, 2025	March 31, 2024
Discount rate	6.55%	7.10%
Future salary increases	9.00%	7.00%
Normal retirement age	65 years	60 years
Employee turnover	17% for on-roll employees and 50% for contract employees	25% for on-roll employees and 50% for contract employees

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

33. Employee benefits obligations (continued)

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

Assumptions	Sensitivity level	March 31, 2025		March 31, 2024	
		Increase	Decrease	Increase	Decrease
Impact on defined benefit obligations					
Discount rate	1%	(251.48)	280.70	(224.21)	240.74
Future salary increase	1%	276.06	(254.92)	238.87	(225.63)
Employee turnover	50%	(255.23)	280.79	(227.81)	233.86

The above sensitivity analyses 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 the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Since the scheme is managed on unfunded basis, expected contributions to defined benefits plan for the year ended March 31, 2025 is Nil (March 31, 2024: Nil). The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 5 years (March 31, 2024: 3 years). The expected maturity analysis of undiscounted gratuity is as follows:

	As at March 31, 2025	As at March 31, 2024
Within the next 12 months	44.07	59.49
Between 2 and 5 years	144.49	155.54
Between 6 and 10 years	109.47	70.88
Beyond 10 years	109.29	23.12

34. Fair value measurement

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

Measured at amortised cost		
Trade receivables	2,823.23	2,787.14
Cash and cash equivalents	770.09	60.69
Bank balance other than cash and cash equivalents	200.00	200.00
Loans	0.25	5.17
Other financial assets	8,202.83	8,187.71
Total financial assets	**11,996.40**	**11,240.71**

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

Measured at amortised cost		
Borrowings	1,472.66	6,802.11
Lease liabilities	4,380.88	2,806.96
Trade payables	9,153.48	8,424.68
Other financial liabilities	717.12	736.95
Total financial liabilities	**15,724.14**	**18,770.70**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other financial assets (current), other financial liabilities (current), bank overdraft, lease liabilities (current) and loans to employees approximates their fair value largely due to short-term maturities of these instruments. The fair value of remaining financial instruments are determined on transaction date based on discounted cash flows calculated using lending/ borrowing rate prevailing respective period end. Subsequently, these are carried at amortized cost. The carrying amount approximates to fair value and difference between carrying value and their fair value is insignificant.

35. Financial risk management objectives and policies:

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

The Company's activities exposes it to market risk, liquidity risk and credit risk. The Company's risk management is carried out by the management under the policies approved by the Board of Directors that help in identification, measurement, mitigation and reporting all risks associated with the activities of the Company. These risks are identified on a continuous basis and assessed for the impact on the financial performance. It is the Company's policy that no trading in derivatives for speculative purposes will be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

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35. Financial risk management objectives and policies (continued):

(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 equity price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises only working capital loan which carries floating rate of interest. Accordingly, the Company's exposure to the risk of changes in the market interest rate relates primarily to the working capital loan.

The following table demonstrates the sensitivity to reasonably possible change in interest rates. With all other variables held constant, the Company'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
Increase by 1%	(14.73)	(59.03)
Decrease by 1%	14.73	59.03

Currency risk
The company does not have any receivable or payable in foreign currency and hence is not exposed to foreign currency risk.

Equity price risk
The company does not have any investments in equity instruments and hence is not exposed to equity price risk.

(b) Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities and from investing activities (primarily deposits with banks)

Trade receivables
Trade receivables are typically unsecured and derived from revenue from contracts with customers. Customer credit risks is managed by each business units subject to Company's policy and procedures which involves credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credits in the normal course of business. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime expected credit losses at each reporting date, right from initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers. Refer Note 11 for ageing of trade receivables and the allowances for trade receivables.

Reconciliation of loss allowance on Trade receivables:

Opening balance	338.70	784.61
Allowances reversed during the year (net)	(0.31)	(64.13)
Written-off during the year	(18.27)	(381.78)
Closing balance	**320.12**	**338.70**

Other financial assets and cash deposit
Credit risk from balances with the banks, loans, and other financial assets are managed by the Company based on the Company policy and is managed by the Company's Treasury team. Investment of surplus fund is made only with approved counterparties. The Company's maximum exposure to credit risk is the carrying amount of such assets as disclosed in Note 34.

Reconciliation of loss allowance on Other financial assets:

Opening balance	-	100.00
Written-off during the year	-	(77.27)
Allowance reversed during the year (net)	-	(22.73)
Closing balance	-	-

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective it to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its position and maintains adequate source of financing. The table below summarises the maturity profile of the Company's financial liabilities at the reporting date. The amounts are based on contractual undiscounted payments.

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35. Financial risk management objectives and policies (continued):

(c) Liquidity risk (continued)

	Less than 1 year	1 year to 5 years	More than 5 years	Total
As at March 31, 2025				
Borrowings (including current maturities)	1,472.66	-	-	1,472.66
Lease liabilities	1,014.81	3,948.81	2,150.01	7,113.63
Trade payables	9,153.48	-	-	9,153.48
Other financial liabilities	411.93	305.19	-	717.12
	12,052.88	**4,254.00**	**2,150.01**	**18,456.89**
As at March 31, 2024				
Borrowings (including current maturities)	6,802.11	-	-	6,802.11
Lease liabilities	711.87	2,541.96	1,135.14	4,388.97
Trade payables	8,424.68	-	-	8,424.68
Other financial liabilities *	388.79	385.84	-	774.63
	16,327.45	**2,927.80**	**1,135.14**	**20,390.39**

* Includes future interest payable on outstanding borrowings

36. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maintain a strong capital base to ensure sustained growth in business and to maximize the shareholders value. The capital management focuses to maintain an optimal structure that balances growth and maximizes shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company includes within net debt, interest bearing loans and borrowings, lease liabilities, less cash and bank balances. The Company's gearing ratio, which is net debt divided by total capital plus net debt is as below:

	March 31, 2025	March 31, 2024
Borrowings (including current maturities)	1,472.66	6,802.11
Lease liabilities	4,380.88	2,806.96
Less : Cash and cash equivalents	(770.09)	(60.69)
Less: Other bank balances (including margin money deposits)	(7,742.76)	(7,942.33)
Net (cash and cash equivalents)/debt (A)	-	**1,606.05**
Total equity	6,071.03	467.67
Total Capital (B)	**6,071.03**	**467.67**
Total debt and equity (C)=(A)+(B)	**6,071.03**	**2,073.72**
Gearing ratio (A)/(C)	**0%**	**77%**

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

37. Related party disclosure

(a) Names of related parties and relationship

Entities exercising significant influence	:	Aditya Birla Digital Fashion Ventures Limited (w.e.f. October 16, 2024) Aditya Birla Fashion and Retail Limited (w.e.f. October 16, 2024)
Key Managerial Personnel (KMP)	:	Ms. Anjana Reddy Tikkavarapu, Director Mr. Tikkavarapu Vikramaditya Reddy, Director Mr. Mahendran Balachandran, Director Mr. Neeleshwar Bhatnagar, Director Mr. Suman Saha, Director (appointed w.e.f. December 13, 2023) Mr. Prashanth Aluru (appointed w.e.f. June 19, 2024) Mr. Manohar Kamath, Director (upto May 16, 2023) Mr. Shambhu Kumar Bhotika, Chief Financial Officer Mrs. Arpita Sudipto Sinha, Company Secretary
Enterprise relatives exercise significant influence (where transactions have taken place)	:	Zeven Sports Private Limited (formerly SX Sports Private Limited) Deccan Chronicle Holdings Limited Popspace Technologies Private Limited Styleverse Lifestyle Private Limited
Investors exercise significant influence over the reporting enterprise	:	Accel India IV (Mauritius) Limited Accel India Management LLP NB Ventures Limited Myntra Designs Private Limited

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37. Related party disclosure (continued)

(b) Summary of transactions entered into with related parties during the year:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations		
Aditya Birla Fashion and Retail Limited	1,665.37	-
Ms. Anjana Reddy Tikkavarapu	-	7.30
	1,665.37	**7.30**
Reimbursement of expense received		
Accel Partners India LLP	10.00	-
Popspace Technologies Private Limited	20.64	-
	30.64	**-**
Interest income on Lease receivable*		
Styleverse Lifestyle Private Limited	12.50	-
	12.50	**-**

* Contractual rent received during the year is Rs. 11.25 Lakhs (March 31, 2024: Nil).

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on lease liability**		
Popspace Technologies Private Limited	49.22	-
	49.22	**-**

** Contractual rent paid during the year is Rs. 59.77 Lakhs (March 31, 2024: Nil).

	For the year ended March 31, 2025	For the year ended March 31, 2024
Share of revenue paid to lessor		
Popspace Technologies Private Limited	3.99	-
	3.99	**-**
Commission expense		
Aditya Birla Fashion and Retail Limited	797.57	-
	797.57	**-**
Advertising and business promotion expense		
Deccan Chronicle Holdings Limited	48.75	25.75
	48.75	**25.75**
Repairs and maintenance		
Popspace Technologies Private Limited	0.06	-
	0.06	**-**
Purchase of property, plant and equipment		
Popspace Technologies Private Limited	3.00	-
	3.00	**-**
Managerial remuneration*		
Ms. Anjana Reddy Tikkavarapu	218.02	166.72
Mr. Tikkavarapu Vikramaditya Reddy	116.94	101.69
Mr. Shambhu Kumar Bhotika **	115.59	88.22
Mrs. Arpita Sudipto Sinha	10.60	9.63
	461.15	**366.26**

* Relates to short term employee benefits. As the liability for gratuity and compensated absences is provided on an actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel are not ascertainable and hence not included above.
** Includes payment of Rs. 20.22 Lakhs (March 31, 2024: Nil) in respect of stock options settled in cash during the year. Also refer Note 40.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee stock compensation expense		
Mr. Shambhu Kumar Bhotika	27.40	38.06
Mrs. Arpita Sudipto Sinha	2.46	0.66
Ms. Anjana Reddy Tikkavarapu [refer Note 40(b)] ^	111.95	-
Mr. Tikkavarapu Vikramaditya Reddy [refer Note 40(b)] ^	111.95	-
	253.76	**38.72**

^ relates to cost accounted pursuant to agreement between the shareholders.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Reimbursement of expenses paid		
Ms. Anjana Reddy Tikkavarapu	6.31	-
Mr. Tikkavarapu Vikramaditya Reddy	1.42	-
Mr. Shambhu Kumar Bhotika	0.59	-
	8.32	**-**
Issue of preference shares (including securities premium)		
Aditya Birla Digital Fashion Ventures Limited	12,500.06	-
	12,500.06	**-**

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37. Related party disclosure (continued)

(b) Summary of transactions entered into with related parties during the year (continued):

	For the year ended March 31, 2025	For the year ended March 31, 2024
Issue of equity shares (including securities premium)		
Aditya Birla Digital Fashion Ventures Limited	156.12	-
Ms. Anjana Reddy Tikkavarapu	-	112.30
Mr. Tikkavarapu Vikramaditya Reddy	-	100.00
Myntra Designs Private Limited	-	18.90
NB Ventures Limited	-	58.60
Accel India IV (Mauritius) Limited	-	138.70
	156.12	**428.50**

(c) The balances receivable from and payable to related parties as at year end are as follows :

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Aditya Birla Fashion and Retail Limited	285.42	-
Styleverse Lifestyle Private Limited	4.13	-
Accel India Management LLP	-	0.10
	289.55	**0.10**
Advance to suppliers		
Zeven Sports Private Limited (formerly SX Sports Private Limited)	0.17	0.17
	0.17	**0.17**
Capital advances		
Popspace Technologies Private Limited	27.92	-
	27.92	**-**
Other financial assets - Security deposits		
Popspace Technologies Private Limited	16.00	-
	16.00	**-**
Lease receivable		
Styleverse Lifestyle Private Limited	128.46	-
	128.46	**-**
Employee related liabilities		
Ms. Anjana Reddy Tikkavarapu	7.95	7.59
Mr. Tikkavarapu Vikramaditya Reddy	5.82	4.92
Mr. Shambhu Kumar Bhotika	4.68	4.42
Mrs. Arpita Sudipto Sinha	0.58	0.68
	19.03	**17.61**
No. of stock options outstanding		
Mr. Shambhu Kumar Bhotika	103	130
Mrs. Arpita Sudipto Sinha	10	10
	113	**140**
Trade payables		
Deccan Chronicle Holdings Limited	5.55	-
Popspace Technologies Private Limited	1.07	-
	6.62	**-**
Other financial liabilities - Deposits		
Styleverse Lifestyle Private Limited	11.25	-
	11.25	**-**
Lease liability		
Popspace Technologies Private Limited	573.64	-
	573.64	**-**

(d) Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those prevailing on arm's length transactions. The outstanding receivable/payable balances are generally unsecured and interest is charged as per agreed terms.

38. Commitments and Contingent liabilities

(a) Commitments

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 50.38 Lakhs (March 31, 2024: Nil).

(ii) The Company has entered into a brand consultancy services agreement for advisory services which would be provided to the Company over a period of two years. Basis the projected service expected to be rendered to the Company during the aforesaid period, it is expected that the consideration for such services would be Rs. 3,000.00 Lakhs (March 31, 2024: Nil), of which Rs. 880.04 Lakhs (March 31, 2024: Rs. Nil) is accounted as expense during the year.

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	As at March 31, 2025	As at March 31, 2024
38. Commitments and Contingent liabilities (continued)		
(b) Contingent liabilities		
Claims against the Company not acknowledged as		
- Goods and Services Tax demands / notices	1,739.29	2,898.70

Goods and services tax demand/notices relates to various matters including short declaration of tax amount in GSTR 3B viz-a-viz e-way bills, mismatch in turnover and tax liability between GSTR-1 and GSTR-3B and other return related discrepancies etc. pertaining to different periods. The Company is contesting these demands / notices and the management based on tax advice believes that the position will be upheld in the appellate process. No expense has been accrued in the financial statement for the demand / notice raised. The management believes that the ultimate outcome of the proceedings will not have a material adverse effect on the Company's financial position and the results of the operations. The Company does not expect any reimbursement in respect of above contingent liabilities.

Also refer Note 40(b).

39. Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the Company is identified as the Chief Operating Decision Maker ("CODM"). CODM evaluates the performance of the Company based on the single operative segment for the purpose of allocation resources and evaluating financial performance.

The Company's business activity falls within a single business segment i.e., trading of outdoor products (i.e. men's casual wear, footwear and accessories). Further, the Company operates in single geographical area (i.e. India). Hence, no further disclosure other than those already included in the financial statements are required.

Information about major customers

Revenues of Rs. 12,708.57 Lakhs are derived from 3 customers / channel partners (March 31, 2024: Rs. 13,875.54 Lakhs from 2 customers / channel partners) which individually constitute more than 10% of the total revenue of the company.

40. Share based payments

(a) Employee Share Option Plan (ESOP)

Stock Option Plan 2018 ("USPL Employee Stock Option Plan 2019") (formerly "Collectabillia Employee Stock Option Plan - 2018"):

Effective April 1, 2018, the Company instituted the Stock Option Plan 2018. The Board of directors approved Collectabillia Employee Stock Option Plan - 2018 on March 10, 2018. The Collectabillia Employee Stock Option Plan - 2018 provides for the issue of options to certain employees of the Company. During the year 2019-20, the Company changed the name of Collectabillia Employee Stock Option plan -2018 to USPL Employee Stock Option Plan 2019 in its Extraordinary General meeting dated September 25, 2019. The Board in their meeting held on June 19, 2024, amended the USPL Employee Stock Option Plan 2019 to approve a decrease in ESOP pool options by 183 options.

Stock Option Plan 2012 ("Collectabillia Employee Stock Option Plan - 2012"):

Effective April 1, 2015, the Company instituted the Stock Option Plan 2012. The Board of directors approved Collectabillia Employee Stock Option Plan - 2012 on April 20, 2015. The Collectabillia Employee Stock Option Plan - 2012 provides for the issue of options to certain employees of the Company. This Stock option plan 2012 is governed by the USPL Employee Stock Option Plan 2019 w.e.f September 25, 2019.

For every option granted under the Stock Option Plan, the holder is entitled thereof with an option to apply for and be issued one equity share of the Company at an exercise price as determined by the Board while granting the options. However, no option can have the exercise price less than par value of the shares, which is presently at Rs.10 per share. The equity shares covered under these options vest over a period ranging from 12 to 48 months and from 12 to 36 months from the date of grant for USPL Employee Stock Option Plan 2019 and Collectabilia Employees Stock option Plan 2012, respectively.

The exercise can be made only in the event of occurrence of a liquidation event, or at such other time and in such manner as determined by the Board.

Key features of these plans are provided as below:

Key Terms	USPL Employee Stock Option Plan 2019	Collectabillia Employee Stock Option Plan - 2012
Class of Share	Equity shares	Equity shares
Vesting Pattern	Four-year vesting term and vest at the rate of 10%, 15%, 25% and 50% at the end of 1,2,3 and 4 years respectively from the date of grant and become fully exercisable, subject to employee being in the employment of the Company.	Three-year vesting term and vest at the rate of 40%, 25% and 35% at the end of 1, 2 and 3 years respectively from the date of grant and become fully exercisable, subject to employee being in the employment of the Company.
Exercise Price	The exercise price for each employee shall be stipulated in his/her respective letter of grant, which in no case shall be less than face value of shares. Face value of shares is Rs. 10 each.	
Economic Benefits / Voting Rights	The option grantee shall have no rights as a shareholder with respect to any shares covered by the Stock options until the date of allotment of the shares for which the stock option has been exercised. No adjustment shall be made for dividend distributions or other rights for which the record date is prior to the date of such allotment.	

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40. Share based payments (continued)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee share based payment expense	271.70	109.66

Changes in stock options during the year ended March 31, 2025

	USPL Employee Stock Option Plan 2019		Collectabillia Employee Stock Option Plan - 2012	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	1,557	10.00	94	10.00
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(89)	10.00	-	-
Settled during the year^	(131)	10.00	52	10.00
Outstanding options at the end of the year	1,337	10.00	42	10.00
Exercisable at end of the year	294	10.00	42	10.00

^ Cancelled on mutual consent of the option allotees and the Company in lieu of settlement in cash, which was approved by the Board of directors in their meeting held on June 19, 2024.

Changes in stock options during the year ended March 31, 2024

	USPL Employee Stock Option Plan 2019		Collectabillia Employee Stock Option Plan - 2012	
	No. of options	WAEP*	No. of options	WAEP*
Outstanding at the beginning of the year	362	10.00	94	10.00
Granted during the year	1,211	10.00	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	(16)	10.00	-	-
Lapsed/cancelled during the year	-	-	-	-
Outstanding options at the end of the year	1,557	10.00	94	10.00
Exercisable at end of the year	261	10.00	94	10.00

*Weighted Average Exercise Price

The weighted average fair value of the options granted during the year ended March 31, 2024 was Rs. 65,615. There were no grant of options during the year ended March 31, 2025.

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

	March 31, 2025	March 31, 2024
Expected dividend yield	*	0.00%
Expected Annual Volatility of Shares	*	40.18%
Risk-free interest rate (%)	*	7.10%
Exercise price (INR)	*	10.00
Expected life of the options granted (in years)	*	3.12 to 4.62
Weighted average share price	*	Rs. 65,623

* Not applicable since there were no grants during the year ended March 31, 2025.

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

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Bengaluru

Wrogn Private Limited
Bengaluru

40. Share based payments (continued)

(b) Equity settled share based payment under shareholder agreement

During the year ended March 31, 2025 the Company has entered into an agreement, wherein pursuant to call option available with a shareholder ("Call Option Holder"), three shareholders ("Entitled Shareholders") are eligible for additional premium (to be calculated basis formula specified in the agreement) on exercise of such call option. Further, in the event the aforesaid call option is not exercised by the Call Option Holder within the specified periods, the Company shall be obliged to issue and allot specified shares to the Entitled Shareholders. Based on commitment and funds already invested in the Company by the Call Option Holder, the management has considered exercise of call option to be probable and hence no obligation would arise on the Company.

The Entitled Shareholders include two parties having employment relationship with the Company and one party is a service provider under branding arrangement with the Company. Since only shareholders with employment or service provider relationship with the Company are entitled to additional premium as compared to other shareholders, the arrangement with the Entitled Shareholders is therefore in the nature of share-based payment transaction and has accordingly been accounted for by the Company. This is an equity settlement arrangement and accordingly, fair valuation of the right was carried out on the grant date basis which the expense is being accounted for over the entitlement period i.e. 4-5 years.

The grant date fair valuation of additional premium was carried out by an independent valuer basis the formula specified in the agreement and considering the future projections of revenue and earnings of the Company. The aggregate of grant date fair value of additional premium for the Entitled Shareholders is Rs. 2,245.40 Lakhs. The summary of share-based payment expense accounted for under the aforesaid arrangement is as below:

	For the year ended	
	March 31, 2025	**March 31, 2024**
Employee share based payment expense	223.91	-
Advertising and business promotion expenses	168.93	-
	392.84	-

41. Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

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

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

(v) The Company has not advanced or loaned or invested funds to any other person or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(viii) The Company has not been declared as wilful defaulter by any bank or financial institution or any government authorities.

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(All amounts in Indian Rupees Lakhs, unless otherwise stated)

42. Ratio analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	Change %	Reason for variance exceeding 25% as compared to preceding period
Current ratio	Current assets	Current liabilities	1.40	0.79	77%	Increase in other financial assets and decrease in borrowings
Debt- equity ratio	Total debt (including lease liabilities)	Shareholder's equity	0.96	20.53	(95%)	Shares issued during the year and repayment of borrowings
Debt service coverage ratio	Earnings/ (loss) for debt service = Net (loss) after taxes + Depreciation and amortisation expense + Finance costs	Debt service = Interest & Lease payments + Principal repayments	*	*	*	-
Return on equity ratio	Net (loss) after taxes	Average shareholder's equity	(2.31)	(2.01)	(15%)	-
Inventory turnover ratio	Cost of goods sold	Average inventory	3.87	3.20	21%	-
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	7.96	12.13	(34%)	Decrease in revenue and increase in trade receivable
Trade payable turnover ratio	Purchases + Other expenses	Average trade payables	2.85	2.25	27%	Increase in other expense during the year
Net capital turnover ratio	Revenue from operations	Working capital = Current assets – Current liabilities	4.44	(6.34)	(170%)	Increase in current assets and decrease in current liabilities at the year end
Net profit ratio	Net (loss)	Revenue from operations	(0.34)	(0.23)	(48%)	Increase in losses during the year
Return on capital employed	Earnings/(loss) before interest and taxes	Capital employed = Tangible net worth + Total debt (including lease liabilities)	(0.53)	(0.41)	(29%)	Increase in losses during the year
Return on investment	Interest income	Average investment in bank deposits	0.08	0.07	14%	-

* Not disclosed in view of negative earnings of debt service

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WROGN PRIVATE LIMITED BENGALURU

43. The Code on Social Security, 2020

The Code on Social Security, 2020 (the "Code") relating to employee benefits during employment and post-employment benefits, received Presidential assent in September 2020. The Code has been published in the Gazette of India, however, the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact accordingly.

44. Maintenance of Daily Backup of Books of Account

The Company uses four software / IT applications (Logic, Tanqaa, Workflow and OMS/WMS) to maintain its books of accounts and other books and papers in electronic mode ("Electronic Records"). Rule 3 of the Companies (Accounts) Rules, 2014 (as amended) requires the companies incorporated in India to ensure that these Electronic Records are accessible in India at all times and the back-up of these Electronic Records are kept on servers physically located in India on a daily basis.

During the year, for one software (Tanqaa) the back-up of Electronic Records was not kept in server physically located in India on a daily basis, and that for another software (Logic) was not kept in server physically located in India on a daily basis from April 1, 2024 to September 30, 2024. Management is in the process of evaluating these and initiating steps to ensure necessary compliance with the statute.

45. Maintenance of Audit Trail (Edit Log)

As per Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Further, the audit trail has to be preserved as per the statutory requirements for record retention.

The Company has used two accounting software (Logic and Workflow) for maintaining its books of account and purchase records which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain changes made, if any, using privileged/ administrative access rights. Further, in respect of aforesaid accounting software maintaining books of account where the audit trail has been enabled there was no instance of audit trail feature being tampered with, however in respect of software maintaining purchase records, in the absence of specific configuration, it could not be demonstrated whether there were any instances of the audit trail feature being tampered with. Additionally, for these software the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

The Company has used an accounting software (Tanqaa) for maintaining its payroll records which have feature of recording audit trail (edit log) facility, however the same was not enabled or operated throughout the year for all relevant transactions recorded in the software and for two software (OMS/WMS and Shopify) maintaining price master and inventory records, which are operated by third-party software service providers, the Service Organisation Controls reports covering the relevant period was not available to assess compliance with aforesaid requirement of audit trail. Additionally, in view of above, the Company could not assess whether the audit trail has been preserved as per the statutory requirements for record retention. Management is in the process of evaluating these matters and initiating steps to ensure necessary compliance with the statute.

The Company also uses spreadsheets to record transactions or for preparing workings/calculations of amounts to be recorded in respect of property, plant and equipment, intangible assets, employee share based payment, leases, etc. However, these spreadsheets do not provide direct and autofeed to accounting software. Accordingly, basis guidance under the Implementation Guide on Reporting on Audit Trail (Revised) issued by the Institute of Chartered Accountants of India, the management has taken a view that these spreadsheets are not part of books of account and do not attract audit trail requirement.

46. Events after the reporting period

There are no material events subsequent to the balance sheet date which requires any adjustments to the financial statements.

As per our report of even date

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

S.R. Batliboi & Associates LLP Bengaluru

per Rajeev Kumar
Partner
Membership No.: 213803

Place: Bengaluru, India
Date: May 20, 2025

For and on behalf of the Board of Directors of
Wrogn Private Limited
(formerly known as Universal Sportsbiz Private Limited)
CIN: U92412KA2012PTC103560

WROGN PRIVATE LIMITED BENGALURU

Anjana Reddy Tikkavarapu
Director
DIN : 03434093

Vikramaditya Reddy Tikkavarapu
Director
DIN : 03586648

Shambhu Kumar Bhotika
Chief Financial Officer

Arpita Sudipto Sinha
Company Secretary
Membership No.: A46408

Place: Bengaluru, India
Date: May 20, 2025