# Price Waterhouse & Co Chartered Accountants LLP

## Independent Auditor's Report

**To the Members of Aditya Birla Digital Fashion Ventures Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

1. We have audited the accompanying Standalone Financial Statements of Aditya Birla Digital Fashion Ventures Limited ("the Company"), which comprise the Standalone Balance Sheet as at March, 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March, 31, 2026, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

### Basis for Opinion

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

### Key audit matters

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

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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Impairment evaluation of investments in subsidiaries and an associate**<br>(Refer Note 7(a) to the Standalone Financial Statements)<br><br>As at March 31, 2026, the Company has investments in subsidiaries amounting to Rs. 716.67 crores and investment in an associate amounting to Rs. 190.47 crores.<br>The Company evaluates the recoverability of the carrying values of these investments using Discounted Cash Flow (DCF) methodology to determine the value in use, in accordance with IND AS 36 'Impairment of Assets'. An impairment assessment is performed, and recoverable amounts of the investments are determined if the indicators of impairment are identified.<br>Management has considered the losses suffered by these subsidiaries and the associate as an indicator for impairment assessment and appointed an independent external professional valuer (management expert) to perform the impairment assessment.<br>Management has performed impairment assessment by determining the recoverable amount of the investments in these subsidiaries and an associate using the value in use method and comparing the same with the carrying value. Where the carrying value exceeds the recoverable amount, an impairment loss is recognised.<br>Impairment assessment of investments in subsidiaries and an associate is considered as a key audit matter as it requires significant management judgement and estimates in addition to consideration of economic and entity specific factors in determination of the recoverable value such as projected cash flows, discount rates, growth rates over the projection period and terminal growth rates which are subject to management judgement and subjectivity. | Our audit procedures included the following:<br>• Understood and evaluated the design and tested the operating effectiveness of the Company's controls to assess impairment of its investments in subsidiaries and the associate.<br>• Evaluated the appropriateness of the methodology and model used by the management to determine the recoverable amount.<br>• Evaluated the objectivity, competency, capability and independence of the management expert engaged by the Company.<br>• Evaluated the reasonableness of the cash flow projections by testing the key management assumptions and estimates used in the impairment analysis and assessed the consistency of the cash flow projections with the budgets approved by Board of Directors/ Management on a periodic basis.<br>• Evaluated the sensitivity analysis performed by the management on the recoverable amount and assessed whether any reasonably foreseeable changes in key assumptions could lead to impairment loss or material change in valuation.<br>• Evaluated the Company's process regarding impairment assessment with the involvement of auditors' valuation expert in assessing the appropriateness of the impairment model including independent assessment of assumptions underlying the cash flow projections, discount rate, long-term growth rate, terminal value, etc.<br>• Obtained the audited Standalone Financial Statements of the subsidiaries and the associate for the year ended March 31, 2026, and evaluated their financial performance based on net worth, borrowings, key ratios, revenue and profit before tax for the year.<br>Evaluated the adequacy of the disclosures made in the Standalone Financial Statements. |

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## Other Information

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

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

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

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

## Responsibilities of management and those charged with governance for the Standalone Financial Statements

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

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

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

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## Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

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

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

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

11. 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.

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

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13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

14. 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 B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on daily basis on servers physically located in India during the year and matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above and paragraph 15(h)(vi) below.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company was not required to recognise a provision as at March 31 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company has made provision for material foreseeable losses on long-term derivative contracts. Refer Note 24 and Note 33 to the Standalone Financial Statements.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 51 (vii) to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51(vii) to the Standalone Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, the Company has used an accounting software which is operated by a third party software service provider, for maintaining its books of account and in the absence of adequate information in the service organisation's auditor's report, we are unable to comment whether the audit trail feature was enabled and operated throughout the year for all relevant transactions recorded in the software or whether there were any instances of audit trail feature has been tampered with, or whether the audit trail has been preserved by the Company as per the statutory requirements for record retention. Further, the audit trail was not maintained in the prior year and hence the question of our commenting on whether the audit trail was preserved by the Company as per the statutory requirements for record retention does not arise.

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16. The managerial remuneration of INR 12.62 crores, paid by the Company to its whole time director is in excess of the limits specified in Section 197 read with Schedule V of the Act. The Company has obtained special resolutions from the shareholders at the Annual General Meeting and Extraordinary General Meeting with respect to the excess managerial remuneration paid / payable. Refer Note 47 to the Standalone Financial Statements.

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

A. J. Shaikh
Partner
Membership Number: 203637

UDIN: 26203637AOQQDA8677
Place: Bengaluru
Date: May 14, 2026

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## Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the standalone financial statements as of and for the year ended March 31, 2026


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

1. We have audited the internal financial controls with reference to standalone financial statements of Aditya Birla Digital Fashion Ventures Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

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

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

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

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## Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the standalone financial statements as of and for the year ended March 31, 2026


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

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

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

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

### Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

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

A. J Shaikh
Partner
Membership Number: 203637
UDIN: 26203637AOQQDA8677

Place: Bengaluru
Date: May 14, 2026

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

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not hold any immovable properties other than those where the Company is the lessee and the lease agreements are duly executed in favour of the lessee. Refer Note 3 and 4 to the Standalone Financial Statements. Accordingly, reporting under 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 or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the Standalone Financial Statements, does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory, and have been appropriately dealt with in the books of account.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from bank and financial institution on the basis of security of current assets. The Company has filed quarterly returns or statements with such bank and financial institution, which are in agreement with the unaudited books of account. Also, refer Note 26 to the Standalone Financial Statements.

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**Annexure B to Independent Auditor's Report**
Referred to in paragraph 14 of the Independent Auditor's Report of even date to the members of Aditya Birla Digital Fashion Ventures Limited on the Standalone Financial Statements for the year ended March 31, 2026


iii. (a) The Company has made investments in five companies and nineteen mutual fund schemes, and granted unsecured loans to four companies and other parties. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans to subsidiary companies and the associate company and in parties other than subsidiary companies and associate company are as per the table given below:

(Amounts in Rs. crores)

| | Guarantees | Security | Loans | Advances in nature of loans |
|---|---|---|---|---|
| Aggregate amount granted/ provided during the year | | | | |
| - Subsidiaries | | | 135.50 | |
| - Associates | | | - | |
| - Others | | | 0.10 | |
| Balance outstanding as at balance sheet date in respect of the above cases | | | | |
| - Subsidiaries | | | 0.18 | |
| - Associates | | | - | |
| - Others | | | 0.12 | |

Also, refer Notes 7(a), 7(b) and 14 to the standalone financial statements. The Company does not have any Joint ventures during the year.

(b) In respect of the aforesaid investments or loans, the terms and conditions under which such loans were granted or investments were made are not prejudicial to the Company's interest.

(c) In respect of the loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans.

(f) There were no loans which were granted during the year, including to promoters or related parties that were repayable on demand or without specifying any terms or period of repayment.

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iv. The Company has not granted any loans or provided any guarantees or security to parties covered under section 185 of the Companies Act, 2013 ("the Act"). In our opinion, the Company has complied with the provisions of Sections 186 of the Act in respect of the loans provided and investments made. The Company has not issued or provided any guarantees or security.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii.(a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, professional tax, cess, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. Also, refer Note 23 and Note 26 to the Standalone Financial Statements.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate. The Company did not have any joint ventures during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company. The Company did not have any joint ventures during the year.

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x.(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made a private placement of compulsorily convertible preference shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised except as described below:

| Nature of securities | Purpose for which funds raised | Total amount raised (Rs in crores) | Amount utilised (Rs. in crores) | Unutilised balance as at the March 31, 2026 (Rs. in crores) | Remarks |
|---|---|---|---|---|---|
| Compulsorily Convertible Preference Shares | Capital expenditure, marketing and general corporate purpose. | 437.00 | 234.80 | 202.20 | Unutilised balance has been parked in Mutual funds as at balance sheet date |

xi.(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

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xiv.(a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the director(s). Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi.(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) In our opinion, the Group [as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025] has 4 CICs as part of the Group as detailed in Note 50 to the standalone financial statements. We have not, however separately evaluated whether the information provided by the management is accurate and complete.

xvii The Company has incurred cash losses of Rs. 159 crores in the financial year and of Rs. 134 crores in the immediately preceding financial year.

xviii There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
FRN 304026E/E300009
Bengaluru

9000-108

# Price Waterhouse & Co Chartered Accountants LLP



xx The Company was not required to spend any amount during the year for Corporate Social Responsibility under Section 135(5) and 135(6) of the Act. Accordingly, there is no amount unspent as at March 31, 2026 and the reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

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

A. J Shaikh
Partner
Membership Number: 203637
UDIN: 26203637AOQQDA8677

Place : Bengaluru
Date : May 14, 2026

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Standalone Balance Sheet as at March 31, 2026**
(All amounts in Rs. Crores unless otherwise stated)

| Particulars | Notes | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3 | 0.59 | 1.02 |
| Right of Use Assets | 4a | 32.73 | 3.84 |
| Goodwill | 5 | 4.35 | 4.35 |
| Other intangible assets | 5 | 8.85 | 10.17 |
| Intangible assets under development | 6 | 9.56 | - |
| Financial assets | | | |
| (i) Investment in subsidiaries and an associate | 7a | 977.29 | 708.96 |
| (ii) Security Deposits | 8 | 2.98 | 1.08 |
| (iii) Other Financial Assets | 9 | 151.76 | 117.70 |
| Deferred tax assets (net) | 10 | - | - |
| Non current tax assets (net) | 11 | 0.92 | 0.46 |
| Other non current assets | 12 | 28.63 | - |
| **Total - Non-current assets** | | **1,217.66** | **847.58** |
| **Current assets** | | | |
| Inventories | 13 | 9.82 | 4.92 |
| Financial assets | | | |
| (i) Investments | 7b | 313.44 | 81.02 |
| (ii) Loans | 14 | 0.30 | 23.02 |
| (iii) Security deposits | 15 | 0.09 | 0.09 |
| (iv) Trade receivables | 16 | 5.12 | 4.61 |
| (v) Cash and cash equivalents | 17 | 1.85 | 0.86 |
| (vi) Other financial assets | 18 | 1.89 | 0.55 |
| Other current assets | 19 | 5.74 | 18.98 |
| **Total - Current assets** | | **338.25** | **134.05** |
| **TOTAL - ASSETS** | | **1,555.91** | **981.63** |

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Standalone Balance Sheet as at March 31, 2026**
(All amounts in Rs. Crores unless otherwise stated)

| Particulars | Notes | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 20 | 772.66 | 500.00 |
| Instruments entirely in nature of equity | 21 | 96.58 | - |
| Other equity | 22 | 48.14 | (200.71) |
| **Total - EQUITY** | | **917.38** | **299.29** |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 23 | 274.42 | 585.96 |
| (ii) Lease liabilities | 4b | 29.34 | 2.04 |
| (iii) Other financial liabilities | 24 | 37.76 | 45.56 |
| Provisions | 25 | 4.39 | 2.68 |
| **Total - Non-current liabilities** | | **345.91** | **636.24** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| (i) Borrowings | 26 | 221.14 | 20.78 |
| (ii) Lease liabilities | 4b | 5.46 | 2.39 |
| (iii) Trade payables | 27 | | |
| Total outstanding dues to micro enterprises and small enterprises | | 2.21 | 2.01 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 9.47 | 4.93 |
| (iv) Other financial liabilities | 28 | 48.08 | 9.67 |
| Provisions | 29 | 2.94 | 2.39 |
| Other current liabilities | 30 | 3.32 | 3.93 |
| **Total - Current liabilities** | | **292.62** | **46.10** |
| **TOTAL - LIABILITIES** | | **638.53** | **682.34** |
| **TOTAL - EQUITY AND LIABILITIES** | | **1,555.91** | **981.63** |
| **Basis of preparation** | 2 | | |

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

As per our report of even date
**For Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
ICAI Firm Registration No. 304026E/E-300009

**A. J. SHAIKH**
Partner
Membership No.: 203637
Place: Bengaluru
Date: May 14, 2026

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

**PRASHANTH ALURU**
(Whole-time Director)
DIN: 06923683
Place: Bengaluru
Date : May 14, 2026

**ASHISH DIKSHIT**
(Director)
DIN: 01842066
Place: Delhi
Date : May 14, 2026

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**MANOJ FITKARIWALA**
(Chief Financial Officer)
Place: Mumbai
Date : May 14, 2026

**SONIA BHANDARI**
(Company Secretary)
Membership No.: A20650
Place: Mumbai
Date : May 14, 2026

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Standalone Statement of profit and loss for the year ended March 31, 2026**
(All amounts in Rs. Crore unless otherwise stated)

| Particulars | Notes | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|---|
| Revenue from operations | 31 | 15.21 | 10.89 |
| Other income | 32 | 21.32 | 11.60 |
| Other gain/ (loss) - Net | 33 | 79.55 | 72.40 |
| **Total Income** | | 116.08 | 94.89 |
| **Expenses** | | | |
| Purchase of stock in trade | 34 | 16.40 | 11.00 |
| Changes in inventories of stock-in-trade | 35 | (4.90) | 0.39 |
| Employee benefits expense | 36 | 79.37 | 67.17 |
| Finance cost | 37 | 46.57 | 36.40 |
| Depreciation and amortisation expense | 38 | 6.96 | 4.06 |
| Other expenses | 39 | 50.09 | 36.64 |
| **Total expenses** | | 194.49 | 155.66 |
| **Profit/ (Loss) before exceptional item and tax** | | (78.41) | (60.77) |
| Exceptional items (net) | 44 | (0.61) | - |
| **Profit/ (Loss) before tax** | | (79.02) | (60.77) |
| **Less: Income tax expense** | 40 | | |
| (a) Current tax | | - | - |
| (b) Deferred tax charge/ (credit) | | - | 8.55 |
| | | - | 8.55 |
| **Profit/ (Loss) for the year** | | (79.02) | (69.32) |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Re-measurements of post employment benefit obligations | 42 | (0.09) | (0.08) |
| Income tax effect on above | 42 | - | - |
| **Total other comprehensive income for the year, net of tax** | | (0.09) | (0.08) |
| **Total comprehensive income for the year** | | (79.11) | (69.40) |
| **Earnings per equity share [Nominal value of share: Rs. 10 (March 31, 2025: Rs. 10)]** | 41 | | |
| Basic (Rs.) | | (1.03) | (1.39) |
| Diluted (Rs.) | | (1.03) | (1.39) |
| **Basis of preparation** | 2 | | |

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date
**For Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
ICAI Firm Registration No. 304026E/E-300009

**A. J. SHAIKH**
Partner
Membership No.: 203637
Place: Bengaluru
Date : May 14, 2026

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

**PRASHANTH ALURU**
(Whole-time Director)
DIN: 06923683
Place: Bengaluru
Date : May 14, 2026

**ASHISH DIKSHIT**
(Director)
DIN: 01842066
Place: Delhi
Date : May 14, 2026

**MANOJ FITKARIWALA**
(Chief Financial Officer)
Place: Mumbai
Date : May 14, 2026

**SONIA BHANDARI**
(Company Secretary)
Membership No.: A20650
Place: Mumbai
Date : May 14, 2026

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Standalone Statement of Cash Flows for the year ended March 31, 2026**
(All amounts in Rs. Crore unless otherwise stated)

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Cash flows from operating activities** | | |
| **Profit/ (Loss) before tax** | **(79.02)** | **(60.77)** |
| Adjustments for: | | |
| Depreciation and amortisation expense | 6.96 | 4.06 |
| Interest income | (5.60) | (2.38) |
| Finance costs | 46.57 | 36.40 |
| Net gain on current investments designated at fair value through profit or loss (FVTPL) | (6.53) | (3.25) |
| Gain on derivative instruments (net) | (79.55) | (72.40) |
| Gain on termination of lease | (0.65) | - |
| Share based payments | 10.83 | 3.96 |
| Fair value gain on financial instruments at FVTPL | (7.99) | (5.83) |
| Unwinding of discount on security deposits | (0.13) | - |
| **Operating Profit/ (loss) before working capital changes** | **(115.11)** | **(100.21)** |
| Changes in working capital: | | |
| (Increase)/ Decrease in trade receivables | (0.51) | (1.81) |
| (Increase)/ Decrease in inventories | (4.90) | 0.39 |
| (Increase)/ Decrease in other assets | (19.43) | (7.61) |
| Increase/ (decrease) in trade payables | 4.75 | (0.80) |
| Increase/ (decrease) in provisions | 1.62 | 0.80 |
| Increase/ (decrease) in other liabilities | 3.38 | 1.80 |
| **Cash generated from/ (used in) operations** | **(130.20)** | **(107.44)** |
| Income taxes paid (net of refund) | (0.46) | (0.25) |
| **Net cash flows (used in) operating activities (A)** | **(130.66)** | **(107.69)** |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment and intangible assets | (0.25) | (0.09) |
| Intangible assets under development | (9.56) | - |
| Proceeds from sale of property, plant and equipment and intangible assets | - | 0.03 |
| Loans given to subsidiaries | (135.48) | (69.30) |
| Purchase of mutual funds | (685.85) | (428.00) |
| Proceeds from redemption of mutual funds | 467.95 | 357.54 |
| Investment in subsidiaries and associate | (162.98) | (175.10) |
| Repayment of loans by subsidiaries | 123.00 | 4.00 |
| Interest received | 5.60 | 2.16 |
| **Net cash flows (used in) investing activities (B)** | **(397.57)** | **(308.76)** |
| **Cash flows from financing activities** | | |
| Issue of Optionally Convertible Redeemable Preference Shares | - | 100.00 |
| Proceeds from issue of non convertible debentures (net of issue expenses) | 99.61 | 174.81 |
| Proceeds of non-current borrowings | - | 182.23 |
| Proceeds from issue of compulsorily convertible preference shares (CCPS) (net of issue expenses) | 425.73 | - |
| Proceeds / (Repayment) of current borrowings | 45.97 | (30.00) |
| Lease payments | (3.66) | (2.55) |
| Interest paid | (38.43) | (7.62) |
| **Net cash flows generated from financing activities (C)** | **529.22** | **416.87** |
| **Net (decrease)/ increase in cash and cash equivalents (A+B+C)** | **0.99** | **0.42** |
| **Cash and cash equivalents at the beginning of the year** | **0.86** | **0.44** |
| **Cash and cash equivalents at the end of the year** | **1.85** | **0.86** |

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Standalone Statement of Cash Flows for the year ended March 31, 2026**
(All amounts in Rs. Crore unless otherwise stated)

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Components of Cash and cash equivalents** | | |
| Balances with banks - current accounts | 1.85 | 0.86 |
| **Balance as per Standalone statement of cashflows** | **1.85** | **0.86** |

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date
**For Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
ICAI Firm Registration No. 304026E/E-300009

**A. J. SHAIKH**
Partner
Membership No.: 203637
Place: Bengaluru
Date : May 14, 2026

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

**PRASHANTH ALURU**
(Whole-time Director)
DIN: 06923683
Place: Bengaluru
Date : May 14, 2026

**ASHISH DIKSHIT**
(Director)
DIN: 01842066
Place: Delhi
Date : May 14, 2026

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**MANOJ FITKARIWALA**
(Chief Financial Officer)

Place: Mumbai
Date : May 14, 2026

**SONIA BHANDARI**
(Company Secretary)
Membership No.: A20650
Place: Mumbai
Date : May 14, 2026

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Aditya Birla Digital Fashion Ventures Limited
CIN: U14101MH2022PLC380326
Statement of Changes in Equity for the year ended March 31, 2026

a. Equity share capital

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| Equity shares of Rs. 10 each Issued, subscribed and paid up | | | | |
| As at the beginning of the year | 50,00,00,000 | 500.00 | 50,00,00,000 | 500.00 |
| Add: Equity shares issued during the year (Refer Note 20) | 27,26,64,284 | 272.66 | - | - |
| Balance as at the end of the year | 77,26,64,284 | 772.66 | 50,00,00,000 | 500.00 |

b. Instruments entirely equity in nature

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| As at the beginning of the year | - | - | - | - |
| Changes in compulsorily convertible preference shares during the year | 9,65,82,376 | 96.58 | - | - |
| Balance as at the end of the year | 9,65,82,376 | 96.58 | - | - |

b. Other equity

| Particulars | Equity component of compound financial instrument | Reserves and surplus | | | Other comprehensive income | Total other equity |
|---|---|---|---|---|---|---|
| | | Retained earnings (Refer Note- 22) | Securities Premium (Refer Note- 22) | Share-based payment reserve (Refer Note- 22) | Remeasurement gains/ (losses) on defined benefit plans (Refer Note- 22) | |
| As at April 1, 2024 | 4.43 | (155.08) | - | 8.41 | (0.04) | (142.28) |
| Profit/ (Loss) for the year | - | (69.32) | - | - | - | (69.32) |
| Other comprehensive income for the year | - | - | - | - | (0.08) | (0.08) |
| Recognition of Share based payment expenses | - | - | - | 3.96 | - | 3.96 |
| Deemed dividend | - | (0.54) | - | 0.54 | - | - |
| Equity component of compound financial instrument | 7.01 | - | - | - | - | 7.01 |
| Acquisition of non-controlling interest | - | - | - | - | - | - |
| As at March 31, 2025 | 11.44 | (224.94) | - | 12.91 | (0.12) | (200.71) |
| Profit/ (Loss) for the year | - | (79.02) | - | - | - | (79.02) |
| Other comprehensive income for the year | - | - | - | - | (0.09) | (0.09) |
| Movement in share based reserve during the year | - | - | - | 5.62 | - | 5.62 |
| Conversion of OCRPS into equity (Transfer of equity component on OCRPS to equity and retained earnings) | (11.44) | 4.64 | - | - | - | (6.80) |
| Deemed Dividend | - | (0.31) | - | 0.31 | - | - |
| Premium on issue of Compulsorily Convertible Preference shares (net of share issue expenses) | - | - | 329.14 | - | - | 329.14 |
| As at March 31, 2026 | - | (299.63) | 329.14 | 18.84 | (0.21) | 48.14 |

The accompanying notes are an integral part of the Standalone Financial Statements

As per our report of even date
For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
ICAI Firm Registration No. 304026E/E-300009

A. J. SHAIKH
Partner
Membership No.: 203637
Place: Bengaluru
Date : May 14, 2026

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

PRASHANTH ALURU
(Whole-time Director)
DIN: 06923683
Place: Bengaluru
Date : May 14, 2026

ASHISH DIKSHIT
(Director)
DIN: 01842066
Place: Delhi
Date : May 14, 2026

MANOJ FITKARIWALA
(Chief Financial Officer)

Place: Mumbai
Date : May 14, 2026

SONIA BHANDARI
(Company Secretary)
Membership No.: A20650

Place: Mumbai
Date : May 14, 2026

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Notes to the Standalone financial statements for the year ended March 31, 2026**
(All amounts in Rs. Crores unless otherwise stated)

**1 Corporate information**

Aditya Birla Digital Fashion Ventures Limited ("the Company"), a public Company domiciled in India and was incorporated on April 11, 2022 ('date of incorporation') under the provisions of the Companies Act, 2013. The redeemable Non-convertible debentures ("the debt") are listed on Bombay Stock Exchange (BSE) in India on August 27, 2024. The registered office of the Company Is located at Piramal Agastya Corp Pak, Building A, 4th and 5th floor Unit No., 401, 403, 501, 503, LBS Road, Kurla, Mumbai, Maharashtra 400070, CIN - U14101MH2022PLC380326.

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

The standalone financial statements have been approved by the Board of Directors in their meeting held on May 14, 2026.

**2 Basis of preparation**

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

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable. The Standalone financial statements have been prepared on accrual basis under the historical cost convention, except the following assets and liabilities, which have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments);
- Derivative financial instruments
- Goodwill and other intangible assets;
- Defined employee benefit plans;
- Share-based payment; and
- Right of use assets and lease liabilities

**2.2 Functional and Presentation Currency:**

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

**2.3 Current versus non-current classification**

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
FRN 304026E/E300009
Bengaluru

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**Aditya Birla Digital Fashion Ventures Limited**
**CIN: U14101MH2022PLC380326**
**Notes to the Standalone financial statements for the year ended March 31, 2026**
(All amounts in Rs. Crores unless otherwise stated)

### 2.4 Critical Accounting Judgements, Estimates And Assumptions

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

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

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

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

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

**(d) Provision on inventories**
The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.
Estimates and judgements are continually evaluated. They are based on historical experience and other factors including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

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

**(f) GST accumulation**
The Company has accumulated input tax credit due to input services being taxed at the rate which is higher than its output liability. The company carries out GST recoverability assessment based on the future projections taking into account business plans etc.

Price Waterhouse & Co Chartered Accountants LLP
LLPIN AAC-4362
FRN 304026E/E300009
★ Bengaluru ★

ADITYA BIRLA DIGITAL FASHION VENTURES LTD. ★

**2.5 New and amended standards adopted by the Company**

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

**(a) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1**

Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance.

The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

**(b) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107**

Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.

The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements

**(c) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12**

The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively (Refer note 9).

**(d) Lack of Exchangeability – Amendments to Ind AS 21**

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not.

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

**2.6 Standards issued but not yet effective**

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

For accounting periods beginning on or after 1 April 2026, when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment.

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## NOTE - 3
## PROPERTY, PLANT AND EQUIPMENT

**Accounting policy**

Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any. Based on management's assessment, items of property, plant and equipment individually costing less than five thousand rupees are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which the assets belong.

**Depreciation methods, estimated useful lives and residual value**

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

**(a) Assets where useful life same as Schedule II**

| Assets | Class of Assets | Useful life as prescribed by Schedule II of the Companies Act, 2013 |
|---|---|---|
| Other office equipment | Office equipment | 5 years |

**(b) Assets where useful life differ from Schedule II**

| Assets | Class of Assets | Useful life as prescribed by Schedule II of the Companies Act, 2013 | Estimated Useful life |
|---|---|---|---|
| Servers, end user devices, such as desktops, laptops, etc. | Computers | 3 years for end user devices and 6 years for servers | 4 years |
| Furniture and fittings (other than retail stores) and fixtures | Furniture | 10 years | 7 years |
| Office electrical equipment | Office equipment | 5 years | 4 years |
| Motorcycles, scooters and other mopeds | Vehicles | 6 years for motor cars | 5 years |

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

**Leasehold assets**

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

| Particulars | Leasehold Improvements | Computers | Furniture and Fixtures | Office Equipment | Vehicles | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **As at April 01, 2024** | **0.17** | **1.52** | **0.30** | **0.23** | **0.01** | **2.23** |
| Additions | - | 0.01 | 0.04 | 0.04 | - | **0.09** |
| Disposals | 0.01 | 0.03 | 0.07 | 0.02 | 0.01 | **0.14** |
| **As at March 31, 2025** | **0.16** | **1.50** | **0.27** | **0.25** | **-** | **2.18** |
| Additions | 0.07 | 0.03 | 0.03 | 0.04 | 0.08 | **0.25** |
| Disposals | - | - | - | - | - | - |
| **As at March 31, 2026** | **0.23** | **1.53** | **0.30** | **0.29** | **0.08** | **2.43** |
| **Depreciation** | | | | | | |
| **As at April 01, 2024** | **0.06** | **0.53** | **0.10** | **0.06** | **0.01** | **0.76** |
| Depreciation for the year (Refer Note 38) | 0.04 | 0.38 | 0.04 | 0.05 | - | **0.51** |
| Disposals | 0.01 | 0.02 | 0.06 | 0.01 | 0.01 | **0.11** |
| **As at March 31, 2025** | **0.09** | **0.89** | **0.08** | **0.10** | **-** | **1.16** |
| Depreciation for the year (Refer Note 38) | 0.07 | 0.37 | 0.16 | 0.08 | 0.00 | **0.68** |
| Disposals | - | - | - | - | - | - |
| **As at March 31, 2026** | **0.16** | **1.26** | **0.24** | **0.18** | **0.00** | **1.84** |
| **Net carrying value as at:** | | | | | | |
| **As at March 31, 2026** | **0.07** | **0.27** | **0.06** | **0.11** | **0.08** | **0.59** |
| **As at March 31, 2025** | **0.07** | **0.61** | **0.19** | **0.15** | **-** | **1.02** |

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**NOTE - 4**
**RIGHT OF USE ASSETS AND LEASE LIABILITIES**

**Accounting Policy**

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

- The contract involves the use of an identified asset
- The company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The company has the right to direct the use of the asset.

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

**Where the company is the lessee**

**Right-of-use assets**

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

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

**Lease liabilities**

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

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

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

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

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

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

**a) RIGHT OF USE ASSETS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **[A] Buildings - Cost** | | |
| **Opening balance** | **9.09** | **9.38** |
| Additions to ROU | 36.40 | - |
| De-recognition of ROU | (9.09) | 0.29 |
| **Closing balance** | **36.40** | **9.09** |
| **[B] Buildings - Accumulated Depreciation** | | |
| **Opening balance** | **5.25** | **3.14** |
| Depreciation for the year (Refer Note 38) | 4.96 | 2.24 |
| Termination/ derecognition | (6.54) | (0.13) |
| **Closing balance** | **3.67** | **5.25** |
| **Net carrying value as at: [A-B]** | **32.73** | **3.84** |

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

**b) LEASE LIABILITIES**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Opening balance** | **4.43** | **6.67** |
| Additions | 35.34 | - |
| Interest expense on lease liabilities | 1.76 | 0.49 |
| Derecognition of lease liabilities | (3.07) | (0.18) |
| Lease payments | (3.66) | (2.55) |
| **Closing balance** | **34.80** | **4.43** |
| | | |
| Non-Current Lease liabilities | 29.34 | 2.04 |
| Current Lease liabilities | 5.46 | 2.39 |

**NOTE - 5**
**GOODWILL AND OTHER INTANGIBLE ASSETS**

**Accounting Policy**

Intangible assets are stated at cost less accumulated amortisation and impairment. The cost of intangible assets acquired under business combination is at their fair value at the date of acquisition.

Intangible assets are amortised over the useful life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period and changes if any, made on prospective basis. The amortisation expense is recognised in the standalone statement of profit and loss.

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

**Amortisation methods and periods**

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

| Intangible assets | Useful life | Amortisation method used |
|---|---|---|
| Brands | 10 years | Amortized on straight-line basis |

**Business combination and goodwill:**

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

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

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

After Initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination Is allocated to each. of the Company's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

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**NOTE - 5 GOODWILL AND OTHER INTANGIBLE ASSETS (Continued)**

| Particulars | Goodwill | Brands |
|---|---|---|
| **[A] Cost** | | |
| **As at April 1, 2024** | 4.35 | 13.15 |
| Additions | - | - |
| Disposals | - | - |
| **As at March 31, 2025** | 4.35 | 13.15 |
| Additions | - | - |
| Disposals | - | - |
| **As at March 31, 2026** | 4.35 | 13.15 |
| **[B] Amortisation** | | |
| **As at April 1, 2024** | - | 1.67 |
| Amortisation for the year (Refer Note 38) | - | 1.31 |
| Disposals | - | - |
| **As at March 31, 2025** | - | 2.98 |
| Amortisation for the year (Refer Note 38) | - | 1.32 |
| Disposals | - | - |
| **As at March 31, 2026** | - | 4.30 |
| **Net carrying value as at: [A-B]** | | |
| **As at March 31, 2026** | 4.35 | 8.85 |
| **As at March 31, 2025** | 4.35 | 10.17 |

**Disclosures with respect to Goodwill impairment**

Nauti-Nauti brand was acquired as part of the acquisition of online retail garment sale business on a going concern basis as approved on November 17, 2022 by the Board of Directors, is a children clothing brand (including casual wear, ethnic wear and occasion outfits). Goodwill acquired through business combination is allocated to Nauti-Nauti CGU - Rs. 4.35 (March 31, 2025: Rs. 4.35).

**Value in use calculation of CGUs:**

The recoverable amount of the CGUs as at March 31, 2026, has been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a ten years period ended March 31, 2036 and cash flow projections for financial year 2035-36 has been used for computation of perpetual cash flows. The Company has considered a terminal growth rate as mentioned below to arrive at the value in use to perpetuity beyond March 31, 2036. The post-tax discount rate is applied to discounted cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment of the goodwill and the CGU.

**Key assumptions used for value in use calculations**

**Discount rates:**

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Significant assumptions:** | | |
| Terminal growth rate | 5.00% | 5.00% |
| Discount rate | 16.50% | 20.00% |

**Growth rate estimates:**

Rates are based on published industry research. The growth rate is based on the Company's projection of business and growth of the industry in which the respective CGU is operating. The growth rate considers the management plan to launch new products and growth in digital e-commerce.

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

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**NOTE - 6**
**INTANGIBLE ASSETS UNDER DEVELOPMENT**

**Accounting Policy**

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Intangible assets under development | 9.56 | - |
| **Total** | **9.56** | **-** |

Intangible assets under development as at March 31, 2026 comprises of business application development cost. Management is of the view that this intangible asset have satisfied technological and economic feasibility and also significant future economic benefits are expected to arise from this product.

**Ageing of Intangible assets under development as on March 31, 2026:**

| Particluars | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| (I) Projects in progress | 9.56 | - | - | - | 9.56 |
| (ii) Projects temporarily suspended | - | - | - | - | |
| **Total** | **9.56** | - | - | - | **9.56** |

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**NOTE- 7**
**NON CURRENT FINANCIAL ASSETS**

**INVESTMENT IN SUBSIDIARIES AND AN ASSOCIATE**

**Accounting policy**

Investments initially measured at fair value. Investment in subsidiaries and an associate are out of scope of Ind AS 109 and hence the Company has accounted for its investments in subsidiaries and an associate at cost. Investment in Optionally convertible redeemable preference shares (OCRPS) where the contractual cashflows do not meet the criteria of solely payments of principal and interest (SPPI) are measured at Fair Value Through Profit or Loss ('FVTPL'). All other equity investments are measured at fair value as per Ind AS 109. Equity Instruments which are held for trading are classified as at FVTPL.

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

| Particulars | Sub Note | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **7(a) Investments in subsidiaries and an associate** | | | |
| **(i) Investments in subsidiaries (Carried at cost)** | | | |
| **Unquoted equity instruments:** | | | |
| 10,675,385 (March 31, 2025: 438,362) fully paid equity shares of Rs. 1/- each of Pratyaya E-Commerce Private Limited | 1 | 58.42 | 17.72 |
| 1,094,189 (March 31, 2025: 17,755) fully paid equity shares of Rs. 10/ each of Imperial Online Services Private Limited | 2 | 47.88 | 34.88 |
| 1,475,782 (March 31, 2025: 9,484) fully paid equity shares of Rs. 10/- each of Awesomefab Shopping Private Limited | 3 | 39.68 | 27.18 |
| 81,612 (March 31, 2025: 71,424) fully paid equity shares of Rs. 10/- each of Bewakoof Brands Private Limited | 4 | 407.66 | 317.66 |
| 510,041 (March 31, 2025: 10,405) fully paid equity shares of Rs. 10/- each of Styleverse Lifestyle Private Limited | 5 | 140.00 | 140.00 |
| **Unquoted preference shares:** | | | |
| 490 (March 31, 2025: 490) fully paid 0.1 % Complusorily Convertible Preference Shares (CCPS) of Rs. 10/- each of Bewakoof Brands Private Limited | | 4.33 | 4.33 |
| **Others** | | | |
| Pratyaya E-Commerce Private Limited | 7 | 9.50 | - |
| Imperial Online Services Private Limited | 8 | 10.78 | - |
| Awesomefab Shopping Private Limited | 9 | 1.92 | - |
| Bewakoof Brands Private Limited | 10 | 47.95 | - |
| **(ii) Investments in an associate (Carried at cost)** | | | |
| **Unquoted equity instruments:** | | | |
| 3,257 (March 31, 2025: 3,058) fully paid equity shares of Rs. 10/- each of Wrogn Private Limited | 6 | 23.90 | 23.09 |
| **Unquoted preference shares:** | | | |
| 18,086 (March 31, 2025: 18,086) fully paid 0.01% CCPS - Series G & G1 of Rs. 10/- each of Wrogn Private Limited | 6 | 125.00 | 125.00 |
| 1427 (March 31, 2025: Nil) fully paid 0.01% CCPS - Series F of Rs. 10/- each of Wrogn Private Limited | 6 | 5.76 | - |
| 8,634 (March 31, 2025: Nil ) fully paid 0.001% Optional Convertible Redeemable Preference Shares (OCRPS) of Rs. 10/- each of Wrogn Private Limited | 6 | 35.81 | - |
| **(iii) Investment in subsidiary (Carried at FVTPL)** | | | |
| **Unquoted preference shares:** | | | |
| 1,116 (March 31, 2025: 1,116) fully paid 0.001 % Optionally Convertible Preference Shares (OCPS) of Rs. 10/- each of Styleverse Lifestyle Private Limited | 5 | 18.70 | 19.10 |
| **Total** | | **977.29** | **708.96** |

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**Note- 7b**
**Current Investments (Carried at FVTPL)**

| Particulars | Sub Note | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|
| **Quoted investments** | | | |
| Aditya Birla Sun Life - 45,945.84 units (March 31, 2025:1,12,370.08 units) | | 2.02 | 32.14 |
| Axis-Treasury Advantage Fund - 79,919.29 units (March 31, 2025: Nil units) | | 25.81 | - |
| ICICI-Savings Fund - 909,277.74 units (March 31, 2025: Nil units) | | 51.74 | - |
| Nippon-Low Duration Fund - 62,277.03 units (March 31, 2025: Nil units) | | 25.87 | - |
| Aditya Birla Sun Life - Savings Fund - 712,216.44 (March 31, 2025: Nil units) | | 40.85 | - |
| HDFC-Money Market Fund- 72,659.13 units (March 31, 2025: Nil units) | | 43.42 | - |
| Nippon-Money Market Fund- 59,548.82 units (March 31, 2025: Nil units) | | 25.84 | - |
| Tata-Money Market Fund- 52,351.95 units (March 31, 2025: Nil units) | | 25.85 | - |
| UTI-Money Market Fund- 1,43,350.52 units (March 31, 2025: Nil units) | | 46.23 | - |
| Axis-CRISIL-IBX AAA Bond NBFC - Jun 2027 Index Fund- 231,58,999.17 units (March 31, 2025:Nil units) | | 25.81 | - |
| HDFC Liquid Fund - Growth- Nil units (March 31, 2025: 57,546.82 units) | | - | 29.00 |
| HSBC Liquid Fund Growth- Nil units (March 31, 2025: 29,154.99 units) | | - | 7.47 |
| Kotak Liquid Fund Growth Nil Units - (March 31, 2025: 4,115.09 units ) | | - | 2.14 |
| Nippon Liquid Fund Growth- Nil units (March 31, 2025: 16,375.81 units) | | - | 10.27 |
| **Total** | | **313.44** | **81.02** |
| | | | |
| Aggregate book value of unquoted investments | | 977.29 | 708.96 |
| Aggregate book value of quoted investments | | 313.44 | 81.02 |
| Aggregate market value of quoted investments | | 313.44 | 81.02 |
| Aggregate amount of impairement in value of investments | | - | - |

**Notes:**

1. On June 23, 2022, the Board of Directors had approved the acquisition of 66.24% stake in Pratyaya E-Commerce Private limited ('Pratyaya') by entering into a Share purchase agreement (SPA). On July 22, 2022, Post completion of the customary closing conditions under the agreement, the Company concluded the acquisition. Considering the terms of the agreement, Pratyaya is considered as a subsidiary of the Company.
During the financial year ended March 31, 2025 409,483 9.45% CCPS of INR 9.50 have been converted to equity shares of Pratyaya.
During the current financial year,
(i) on 09 May, 2025 33,647 and on 16 May, 2025 65,612, equity shares are issued by ICD conversion into equity amounting to Rs. 17.70 ;
(ii) on 09 Jun, 2025, 80,64,375 bonus equity shares are allotted to the existing Company's shareholders in the ratio of 15 shares for every 1 share held ; and
(iii) on 03 Oct, 2025 5,24,601 and on 30 March, 2026 15,48,784 equity shares amounting to Rs. 23 is invested additionally through rights issue.
As at March 31, 2026, the cummulative equity stake in Pratyaya stands at 87.57%.

2. On July 04, 2022, the Board of Directors had approved the acquisition of 55% stake in Imperial Online Services Private Limited ('Imperial') by entering into a SPA. On August 12, 2022, post completion of the customary closing conditions under the agreement, the Company concluded the acquisition. Considering the terms of the agreement, Imperial is considered as a subsidiary of the Company.
During the financial year ended March 31,2025, the Company has invested Rs. 12.00 in equity instruments of Imperial through rights issue.
During the current financial year,
(i) on 09 June, 2025, 7,81,396 bonus equity shares are allotted to the existing Company's shareholders in the ratio of 44 shares for every 1 share held ;
(ii) on 23 June, 2025, 2,30,245 equity shares are issued by ICD conversion into equity amounting to Rs. 10 ; and
(iii) on 30 March, 2026, 64,609 equity shares amounting to Rs. 3 is invested additionally through rights issue.
As at March 31, 2026, the cummulative equity stake in Imperial stands at 84.38%.

3. On July 04, 2022, the Board of Directors had approved the acquisition of 55% stake in Awesomefab Shopping Private Limited ('Awesomefab') by entering into a SPA. On August 24, 2022, post completion of the customary closing conditions under the agreement, the Company concluded the acquisition. Considering the terms of the agreement, Awesome Fab is considered as a subsidiary of the Company.
During the financial year ended March 31, 2025, the Company had given a loan of Rs. 5.00, the same has been converted to equity shares of Awesomefab.
During the current financial year,
(i) on 02 May, 2025, 6,967 equity shares amounting to Rs. 5 and on 07 Nov, 2025 are invested additionally through rights issue.
(ii) on 09 June, 2025, 7,56,884 bonus equity shares are allotted to the existing Company's shareholders in the ratio of 46 shares for every 1 share held
(iii) on 07 November, 2025 7,02,444 equity shares are issued by ICD conversion into equity amounting to Rs. 7.5 ;
As at March 31, 2026, the cummulative equity stake in Awesomefab stands at 86.57%.

4. On December 23, 2022, the Board of Directors had approved the acquisition of 81.75% stake in Bewakoof Brands Private Limited ('Bewakoof') by entering into a SPA. On February 15, 2023, post completion of the customary closing conditions under the agreement, the Company concluded the acquisition. Considering the terms of the agreement, Bewakoof is considered as a subsidiary of the Company. On March 30, 2023, the Company had given loan of Rs. 86.75 the same has been converted to equity shares of Bewakoof.
During the financial year ended March 31, 2025, the Company had given a loan of Rs. 45.00, the same has been converted to equity shares of Bewakoof.
During the current financial year, on 01 Jan, 2026, 9,056 equity shares amounting to Rs. 80 and on 30 Mar, 2026 1,132 equity shares amounting to Rs. 10 are invested additionally through rights issue and preferntial allotment.
As at March 31, 2026, the cummulative equity stake in Bewakoof stands at 89.01%.

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**Aditya Birla Digital Fashion Ventures Limited**
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**NOTE- 7 NON CURRENT FINANCIAL ASSETS (Continued)**

5. Based on the approval by shareholders on September 5, 2023, the Company had made primary infusion in Styleverse Lifestyle Private Limited ('SLPL') to control 50.98 %. On October 30, 2023, post completion of the customary closing conditions under the agreement, the Company concluded the acquisition. Considering the terms of the agreement, SLPL is considered as a subsidiary of the Company.
During the financial year ended March 31, 2025, the Company has invested in 0.01% OCRPS of Rs. 19.10 (FVTPL) of SLPL. 0.01% OCRPS investments, the convertible bond, made in SLPL have been measured at FVTPL in accordance with Ind AS 109 as this instrument does not meet the contractual cashflow test and a gain from fair value is credited to standalone statement of profit and loss.
During the current financial year, on 09 June, 2025, 4,99,632 bonus equity shares are allotted to the existing Company's shareholders in the ratio of 48 shares for every 1 share held.
As at March 31, 2026, the cummulative equity stake in Styleverse stands at 51%.

6. On June 19, 2024, the Board of Directors has approved the acquisition of 17.1% stake of Wrogn Private Limited ('Wrogn') (formerly known as "Universal Sportsbiz Private Limited") for consideration of Rs. 23.09 in equity and Rs. 50 in CCPS by entering into a SPA. Further on October 15, 2024 the Company has invested additionally Rs. 75 in CCPS. Considering the terms of the agreement, Wrogn is considered as an associate of the Company.
During the current financial year, on 28 Jan, 2026,
(i) Rs. 35.81 has been additionally invested during the year through subscription of 8,634 OCRPS ;
(ii) a total amounting to Rs. 6.57 has been paid to Myntra Designs Private Limited for acquistion of its stake held in Wrogn Private Limited (199 equity shares amounting to Rs. 0.81 ; 1,427 CCPS - Series F amounting to Rs. 5.76).
As at March 31, 2026, the cummulative equity stake in Wrogn stands at 35.36%.

7. Pursuant to the Shareholders' Agreement (SHA) dated 23 June 2022 with the founders of Pratyaya, the Company had an obligation to purchase their remaining stake within 90 days from the 4th anniversary of the Closing Date based on a fixed price mechanism in SHA, in respect of which a derivative liability was recognised in earlier years. Vide Amended SHA dated 25 June 2025, the obligation has been restructured into three tranches over two additional years, with the first tranche due in FY 2026-27 based on FY 2025-26 financials. As the first tranche consideration is now determinable, no derivative liability subsists as at 31 March 2026; accordingly, the Company has recognised an additional investment in Pratyaya with a corresponding liability payable to the founders (Refer Note 28).

8. Pursuant to the SHA dated 21 July 2022 with the founders of Imperial, the Company had an obligation to purchase their remaining stake within 90 days from the 4th anniversary of the Closing Date, in respect of which a derivative asset was recognised in earlier years. Vide Amended SHA dated 16 July 2025, the revised pricing mechanism is linked to FY 2025-26 financials. As the payout to acquire the remaining stake is now determinable, no derivative asset subsists as at 31 March 2026; accordingly, the Company has recognised an additional investment in Imperial with a corresponding liability payable to the founders (Refer Note 28).

9. Pursuant to the Shareholders' Agreement dated 11 July 2022 with the founders of Awesomefab, the Company had an obligation to purchase their remaining stake within 90 days from the 4th anniversary of the Closing Date, based on a fixed price mechanism specified in the SHA, in respect of which a derivative asset was recognised in earlier years. Vide Amended SHA dated 29 July 2025, the obligation has been restructured into two tranches over one additional year, with the first tranche due in FY 2026-27 based on FY 2025-26 financials. As the first tranche consideration is now determinable, no derivative asset subsists as at 31 March 2026; accordingly, the Company has recognised an additional investment in Awesomefab with a corresponding liability payable to the founders (Refer Note 28).

10. Pursuant to the Shareholders' Agreement dated 22 March 2023 with the founders of Bewakoof, the Company had an obligation to purchase their remaining stake in three tranches at the end of the Financial Years 2026-27, 2027-28, and 2028-29, respectively, in respect of which a derivative asset was recognised in earlier years. Vide Amended SHA dated 19 November 2025, the entire remaining stake is now to be acquired in FY 2026-27 under a revised pricing mechanism linked to FY 2025-26 financials. As the payout to acquire the remaining stake is now determinable, no derivative asset subsists as at 31 March 2026; accordingly, the Company has recognised an additional investment in Bewakoof with a corresponding liability payable to the founders (Refer Note 28).

**NOTE- 8**
**NON CURRENT SECURITY DEPOSITS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security deposits | | |
| -Unsecured, considered good | 2.98 | 1.08 |
| **Total** | **2.98** | **1.08** |

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

Aditya Birla Digital Fashion Ventures Limited
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## NOTE- 9
## NON CURRENT FINANCIAL ASSETS - OTHERS

**Accounting Policy**

**Derivatives**

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

Refer Note 54 for other accounting policies relevant to financial instruments.

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Derivative instruments (Refer Note below) | 151.76 | 117.70 |
| Total | 151.76 | 117.70 |

**Notes on derivative instruments:**

As per the terms of certain shareholder agreements relating to the Company's subsidiaries and an associate, the Company has call options to purchase the interest of the non-controlling interests in the subsidiaries and the interest of the other investors in the associate, and also has written put options over such interests which are exercisable based on the terms specified in the agreements. Such options are accounted for as derivative financial instruments. The fair value of call options and put options (as specified in Note - 24: Derivative - Liability) are measured based on a valuation performed by the Company's appointed independent valuer.

## NOTE- 10
## DEFERRED TAX ASSETS/ LIABILITIES (NET)

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Deferred tax assets (net) | - | - |
| Total | - | - |

**Deferred tax assets / (liabilities) relates to the following (net)**

| Particulars | Standalone Balance Sheet | | Standalone Statement of Profit and Loss | |
|---|---|---|---|---|
| | As at March 31, 2026 | As at March 31, 2025 | Year ended March 31, 2026 | Year ended March 31, 2025 |
| Difference between carrying amount of property, plant and equipment and intangible assets and their tax base | - | - | - | (0.33) |
| Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961 | - | - | - | 1.39 |
| ROU assets and lease liabilities | - | - | - | 0.38 |
| Loss as per income tax computations available for offsetting against future taxable income | - | - | - | 7.11 |
| Total | - | - | - | 8.55 |

The Company has recognised deferred tax asset arising from unused tax losses only to the extent that the entity has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which the unused tax losses can be utilised by the entity.

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| As at the beginning of the year (net) | - | 8.55 |
| Deferred tax (credit) / charge recognised in profit and loss during the year | | (8.55) |
| As at the end of the year | - | - |

## NOTE- 11
## NON CURRENT TAX ASSETS (NET)

**Accounting policy:**

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

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

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Witholding tax (TDS) receivables | 0.92 | 0.46 |
| Total | 0.92 | 0.46 |

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Notes to the Standalone financial statements for the period ended March 31, 2026
(All amounts in Rs. Crore unless otherwise stated)

**NOTE- 12**
**OTHER NON CURRENT ASSETS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with government authorities (other than income tax) | 28.63 | - |
| **Total** | **28.63** | **-** |

**NOTE- 13**
**INVENTORIES**

**Accounting Policy**
Traded goods (stock in trade) are valued at cost or net realizable value, whichever is lower. Cost is determined on weighted average cost basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Obsolete and defective inventory are duly provided for, basis the management estimates.

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Stock-in-trade<br>[Includes Goods-in-transit of Rs. 0.17 (March 31, 2025: Rs. 0.07)] | 9.82 | 4.92 |
| **Total** | **9.82** | **4.92** |

Inventories are net of obsolescence provision amounting to Rs. 0.95 (March 31, 2025 : Rs. 1.27)

**NOTE: 14**
**CURRENT FINANCIAL ASSETS - LOANS**

**Accounting policy**
Loans to related parties initially measured at fair value. On subsequent measurement, loans that meet solely payment of principal and interest (SPPI) are measured at amortised cost. Where the loans do not meet the criteria for SPPI (where the loans are convertible into a variable number of equity shares based on the fair value at the date of conversion), the loans are subequently measured at fair value through profit and loss.

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Loans to related parties (Refer note 47) | 0.18 | 22.99 |
| Loans and advance to employees | 0.12 | 0.03 |
| **Total** | **0.30** | **23.02** |

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Disclosure under Section 186 of the Companies Act, 2013 and as per Regulation 34(3) and 53(f) read with Part A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

**Details of loans given to Subsidiaries:**

| Name of Companies | Interest rates (per annum) | Repayment/ conversion terms | As at March 31, 2025 | Given during the year | Repaid during the year | Converted to equity/ preference share | As at March 31, 2026 |
|---|---|---|---|---|---|---|---|
| Pratyaya E-Commerce Private Limited | SBI 6 months MCLR +1% and 9.9% | Repayable by April 1, 2025 or such other date as mutually agreed by the parties or convert outstanding loan into a number of equity shares at a fair value to be determined | 11.70 | - | - | (11.70) | - |
| Pratyaya E-Commerce Private Limited | 9.90% | Convertible into a number of equity shares at a fair value to be determined | 6.00 | - | - | (6.00) | - |
| | 9.40% | Repayable within 30 days from effective date | - | 5.00 | (5.00) | - | - |
| | 9.40% | Repayable within 180 days from effective date | - | 10.00 | (10.00) | - | - |
| | 9.40% | Repayable within 140 days from effective date | - | 8.00 | (8.00) | - | - |
| Awesomefab Shopping Private Limited | 9.40% | Repayable within 1 month from effective date or convertible in case of default | 5.00 | - | (5.00) | - | - |
| | 9.40% | Repayable within 15 days from effective date | - | 1.00 | (1.00) | - | - |
| | 9.40% | Repayable within 60 days from effective date | - | 1.00 | (1.00) | - | - |
| | 9.40% | Compulsorily convertible within 144 days from the effective date | - | 7.50 | - | (7.50) | - |
| Imperial Online Services Private Limited | 9.40% | Convertible into a number of equity shares at a fair value to be determined | - | 10.00 | - | (10.00) | - |
| | 9.40% | Repayable within 78 days from effective date | - | 3.00 | (3.00) | - | - |
| Bewakoof Brands Private Limited | 9.40% | Repayable within 300 days from effective date | - | 20.00 | (20.00) | - | - |
| | 9.40% | Repayable within 160 days from effective date | - | 50.00 | (50.00) | - | - |
| | 9.40% | Repayable within 180 days from effective date | - | 20.00 | (20.00) | - | - |

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**Aditya Birla Digital Fashion Ventures Limited**
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(All amounts in Rs. Crore unless otherwise stated)

**Details of loans given to Subsidiaries:**

| Name of Companies | Interest rates (per annum) | Repayment/ conversion terms | As at April 1, 2024 | Given during the year | Repaid during the year | Converted to equity/ preference share | As at March 31, 2025 |
|---|---|---|---|---|---|---|---|
| Pratyaya E-Commerce Private Limited | SBI 6 months MCLR + 1% and 9.9% | Repayable by April 1, 2025 or such other date as mutually agreed by the parties or convert outstanding loan into a number of equity shares at a fair value to be determined | 7.70 | 4.00 | - | - | 11.70 |
| | 9.90% | Convertible into a number of equity shares at a fair value to be determined | - | 6.00 | - | - | 6.00 |
| Awesomefab Shopping Private Limited | 9.40% | Compulsorily convertible within 3 months from effective date | - | 5.00 | - | (5.00) | - |
| | 9.90% | Repayable within 1 month from effective date or convertible in case of default | - | 5.00 | | - | 5.00 |
| Imperial Online Services Private Limited | 9.40% | Repayable within 30 days and 7 days from the date of disbursement or such date mutually agreed | - | 4.00 | (4.00) | - | - |
| Bewakoof Brands Private Limited | 9.40% | Repayable within 3 months from effective date or convert outstanding loan into a number of equity shares at a fair value to be determined | - | 25.01 | - | (25.01) | - |
| | 9.40% | Compulsorily convertible within 3 months from effective date | - | 20.01 | - | (20.01) | - |

The loans have been utilized for meeting the day-to-day business requirements by respective companies.

| Particulars | Interest on loan during the year | | | | Maximum amount outstanding during the year | |
|---|---|---|---|---|---|---|
| | Unpaid as at March 31, 2025 | Accrued | Received | Unpaid as at March 31, 2026 | As at March 31, 2026 | As at March 31, 2025 |
| Pratyaya E-Commerce Private Limited | 0.13 | 1.31 | 1.40 | 0.04 | 18.00 | 11.83 |
| Awesomefab Shopping Private Limited | 0.03 | 0.36 | 0.38 | 0.01 | 8.50 | 5.03 |
| Imperial Online Services Private Limited | - | 0.48 | 0.42 | 0.06 | 10.00 | 3.00 |
| Bewakoof Brands Private Limited | 0.13 | 3.45 | 3.51 | 0.07 | 80.00 | 25.14 |

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**NOTE- 15**
**CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Security deposits** | | |
| - Unsecured, considered good | 0.09 | 0.09 |
| **Total** | **0.09** | **0.09** |

**NOTE- 16**
**TRADE RECEIVABLES**

**Accounting policy**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflect the company unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Trade receivables from others | 5.47 | 5.02 |
| Trade receivables from related parties (Refer Note - 47) | - | 0.03 |
| | **5.47** | **5.05** |
| Less: Loss Allowances | (0.35) | (0.44) |
| **Total** | **5.12** | **4.61** |

**Ageing of Trade Receivables:**

| Particulars | Outstanding as on March 31, 2026 (for following periods from due date of payment) | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | 0 - 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade Receivables – considered good | 0.23 | 2.14 | 2.41 | 0.28 | 0.06 | - | **5.12** |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | 0.35 | **0.35** |
| (iii) Provision on Trade Receivables assessed on individual basis | - | - | - | - | - | (0.35) | **(0.35)** |
| **TOTAL** | **0.23** | **2.14** | **2.41** | **0.28** | **0.06** | - | **5.12** |

| Particulars | Outstanding as on March 31, 2025 (for following periods from due date of payment) | | | | | | |
|---|---|---|---|---|---|---|---|
| | Not due | 0 - 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade Receivables – considered good | 2.40 | 1.87 | 0.28 | 0.06 | 0.44 | - | **5.05** |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - | - |
| (iii) Provision on Trade Receivables assessed on individual basis | - | - | - | - | (0.44) | - | **(0.44)** |
| **TOTAL** | **2.40** | **1.87** | **0.28** | **0.06** | - | - | **4.61** |

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

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

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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Aditya Birla Digital Fashion Ventures Limited
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Notes to the Standalone financial statements for the period ended March 31, 2026
(All amounts in Rs. Crore unless otherwise stated)

**Reconciliation of loss allowance provision of trade receivables**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Opening balance for loss allowance** | 0.44 | 0.44 |
| Add: Provision made during the year | - | - |
| Less : Bad debts written off during the year | (0.09) | - |
| **Closing balance balance for loss allowance** | **0.35** | **0.44** |

**NOTE- 17**
**CASH AND CASH EQUIVALENTS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Balances with banks | | |
| - current accounts | 1.85 | 0.86 |
| **Total** | **1.85** | **0.86** |

**Net debt reconciliation:**
**As at March 31, 2026**

| Particulars | As at April 1, 2025 | Adjustments | Cash flows (net) | Non-cash changes | | As at March 31, 2026 |
|---|---|---|---|---|---|---|
| | | | | Fair value adjustments | Others | |
| Cash and cash equivalents | 0.86 | | 0.99 | - | - | 1.85 |
| Purchase of current investments (net of sold) | 81.02 | | 224.03 | 8.39 | 6.53 | 313.44 |
| **Total** | **81.88** | - | **225.02** | **8.39** | **6.53** | **315.29** |
| Current borrowings | 606.74 | | 145.58 | - | (256.76) | 495.56 |
| Lease liabilities | 4.43 | | (3.66) | - | 34.03 | 34.80 |
| **Total** | **611.16** | - | **141.93** | - | **(222.73)** | **530.36** |

**As at March 31, 2025**

| Particulars | As at April 1, 2024 | Adjustments | Cash flows (net) | Non-cash changes | | As at March 31, 2025 |
|---|---|---|---|---|---|---|
| | | | | Fair value adjustments | Others | |
| Cash and cash equivalents | 0.44 | | 0.42 | - | - | 0.86 |
| Purchase of current investments (net of sold) | 5.57 | | 70.46 | 5.83 | 3.25 | 81.02 |
| **Total** | **6.01** | - | **70.88** | **5.83** | **3.25** | **81.88** |
| Current borrowings | 159.04 | | 428.24 | - | 19.46 | 606.74 |
| Lease liabilities | 6.67 | - | (2.55) | - | 0.31 | 4.43 |
| **Total** | **165.71** | - | **425.68** | - | **19.76** | **611.16** |

**NOTE- 18**
**CURRENT FINANCIAL ASSETS - OTHERS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Other receivables | 1.89 | 0.55 |
| **Total** | **1.89** | **0.55** |

**NOTE- 19**
**OTHER CURRENT ASSETS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Advance to suppliers | 2.11 | 0.64 |
| Balances with government authorities (other than income tax) | - | 16.61 |
| Prepayments | 2.77 | 0.22 |
| Right to return assets | 0.86 | 1.51 |
| **Total** | **5.74** | **18.98** |

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NOTE- 20
EQUITY SHARE CAPITAL

**Authorised share capital**

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **Equity shares of Rs. 10 each** | | | | |
| **As at the beginning of the year** | 1,00,00,00,000 | 1,000.00 | 1,00,00,00,000 | 1,000.00 |
| Add: Increase during the year | - | - | - | - |
| **As at the end of the year** | **1,00,00,00,000** | **1,000.00** | **1,00,00,00,000** | **1,000.00** |
| **Optionally Convertible Redeemable Preference shares ('OCRPS') of Rs. 10 each** | | | | |
| **As at the beginning of the year** | 25,00,00,000 | 250.00 | 25,00,00,000 | 250.00 |
| Add: Decrease during the year | - | - | - | - |
| **As at the end of the year** | **25,00,00,000** | **250.00** | **25,00,00,000** | **250.00** |
| **Issued, subscribed and paid up equity share capital** | | | | |
| **Equity shares of Rs. 10 each** | | | | |
| **As at the beginning of the year** | 50,00,00,000 | 500.00 | 50,00,00,000 | 500.00 |
| Add: Increase during the year | | | | |
| Conversion of OCRPS | 27,26,64,284 | 272.66 | - | - |
| **As at the end of the year** | **77,26,64,284** | **772.66** | **50,00,00,000** | **500.00** |

**Optionally Convertible Redeemable Preference shares ('OCRPS') of Rs. 10 each**

| | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| **As at the beginning of the year** | 25,00,00,000 | 250.00 | - | - |
| Increase during the year | (25,00,00,000) | (250.00) | 25,00,00,000 | 150.00 |
| **As at the end of the year** | - | - | **25,00,00,000** | **150.00** |

**(i) Shares held by Promoters**

| Promoter Name | As at March 31, 2026 | | As at March 31, 2025 | | % of change during the year |
|---|---|---|---|---|---|
| | Number of Shares | % of holding | Number of Shares | % of holding | |
| Aditya Birla Fashion and Retail Limited | | | | | |
| Equity Share Capital | 77,26,64,284 | 99.99% | 50,00,00,000 | 99.99% | - |
| OCRPS (Refer Note 23) | - | 0.00% | 25,00,00,000 | 100.00% | (100%) |

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

The Company has only one class of equity shares having face value of Rs. 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the ensuing Annual General Meeting.
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company. The distribution will be in proportion to the number of the equity shares held by the shareholders. Refer note 23 for the terms of OCRPS.

**(iii) Issue of Right Shares**
There were no rights issue during the current year.

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

| Name of the shareholder | As at March 31, 2026 | | As at March 31, 2025 | | % of change during the year |
|---|---|---|---|---|---|
| | No. of shares held | % of paid-up share capital | No. of shares held | % of paid-up share capital | |
| **Aditya Birla Fashion and Retail Limited** | | | | | |
| Equity shares | 77,26,64,290 | 99.99% | 50,00,00,000 | 99.99% | - |
| OCRPS (Refer Note 23) | - | 0.00% | 25,00,00,000 | 100.00% | (100%) |

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**NOTE- 20 EQUITY SHARE CAPITAL (Continued)**

**(v) Details of shares held by holding company**

| Name of the shareholder | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | No. of shares held | Amount | No. of shares held | Amount |
| **Aditya Birla Fashion and Retail** | | | | |
| Equity shares of Rs. 10 each | 77,26,64,296 | 772.66 | 50,00,00,006 | 500.00 |
| OCRPS of Rs. 10 each fully paid up (March 31, 2025: Rs. 10 each paid up) | - | - | 25,00,00,000 | 250.00 |

**(vi) Shares reserved for issue under Employee Stock Option Plan**
For details of shares reserved for issue under the Employee Stock Option Plan ('Scheme 2022') of the Group (Refer Note - 43).
(vii) There are no shares allotted for consideration other than cash during last three years.
(viii) There were no bonus shares issued during the past three years.

**NOTE- 21**
**Instruments entirely in nature of equity in nature**

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Numbers | Amount | Numbers | Amount |
| **a) Authorised share capital** | | | | |
| 0.0001% Compulsorily convertible preference shares of Rs. 10 each | | | | |
| **As at the beginning of the year** | - | - | - | - |
| Add : Increase during the year | 9,65,82,376 | 96.58 | - | - |
| Less : Conversion during the year | - | - | - | - |
| **As at the end of the year** | **9,65,82,376** | **96.58** | **-** | **-** |

**b) Issued, subscribed and fully paid-up shares**

| Particulars | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | Numbers | Amount | Numbers | Amount |
| **Compulsorily convertible cumulative preference shares fully paid up** | | | | |
| **As at the beginning of the year** | - | - | - | - |
| Add : Increase during the year | 9,65,82,376 | 96.58 | - | - |
| Less : Conversion during the year | - | - | - | - |
| **As at the end of the year** | **9,65,82,376** | **96.58** | **-** | **-** |

**NOTE- 22**
**OTHER EQUITY**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Equity component of compound financial instrument** | | |
| As at the beginning of the year | 11.44 | 4.43 |
| Increase during the year | - | 7.01 |
| Conversion of OCRPS into equity (Transfer of equity component on OCRPS to equity and retained earnings) | (11.44) | - |
| **As at the end of the year** | **-** | **11.44** |
| **Reserves and surplus** | | |
| **Retained earnings** | | |
| As at the beginning of the year | (224.94) | (155.08) |
| Profit/ (Loss) for the year | (79.02) | (69.32) |
| Share options - Deemed dividend (Refer Note 43) | (0.31) | (0.54) |
| Conversion of OCRPS into equity (Transfer of equity component on OCRPS to equity and retained earnings) | 4.64 | - |
| **As at the end of the year** | **(299.63)** | **(224.94)** |
| **Securities premium** | | |
| As at the beginning of the year | - | - |
| Increase on account of issue of CCPS to equity shares | 329.14 | - |
| **As at the end of the year** | **329.14** | **-** |

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**NOTE- 22 OTHER EQUITY (Continued)**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Share-based payment reserve** | | |
| As at the beginning of the year | 12.91 | 8.41 |
| Recognition of Share based expenses | 5.62 | 3.96 |
| Transfer between revserve to other liabilities | - | - |
| Share options - Deemed dividend (Refer Note 43) | 0.31 | 0.54 |
| **As at the end of the year** | **18.84** | **12.91** |
| Other comprehensive income | | |
| **Remeasurement gains/ (losses) on defined benefit plans** | | |
| As at the beginning of the year | (0.12) | (0.04) |
| Gains/ (losses) during the year | (0.09) | (0.08) |
| **As at the end of the year** | **(0.21)** | **(0.12)** |
| **Total** | **48.14** | **(200.71)** |

**Other equity**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Equity component of compound financial instrument | - | 11.44 |
| **Reserves and surplus** | | |
| Retained earnings | (299.63) | (224.94) |
| Securities premium | 329.14 | - |
| Share-based payment reserve | 18.84 | 12.91 |
| **Other comprehensive income** | | |
| Remeasurement gains/ (losses) on defined benefit plans | (0.21) | (0.12) |
| **Total** | **48.14** | **(200.71)** |

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

1. **Retained earnings**
   Retained earnings comprise of the Group's accumulated undistributed Standalone profits/ (losses) after taxes.
2. **Share options outstanding account**
   The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options (if any).
3. **Equity component of compound financial instrument**
   Equity component of compound financial instrument represents the difference between the OCRPS face value and the present value of payment / conversion to be made towards the OCRPS on the trigger date. Also refer Note 23.
4. **Remeasurement gains/ (losses) on defined benefit plans**
   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.
5. **Securities Premium**
   Securities premium is used to record the premium on issue of shares, and is utilised in accordance with the provisions of the Companies Act, 2013.

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**NOTE- 23**
**NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS**

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

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Unsecured** | | |
| **Non-convertible Debentures (NCD)** | | |
| NCD (Refer note 2 below) | | |
| - Unsecured, considered good | 274.42 | 174.81 |
| - Secured, considered good | - | 148.00 |
| **Preference shares** | | |
| 7% Optionally Convertible Redeemable Preference Shares (OCRPS) [Refer note 1(a) and 1(b) below] | - | 263.15 |
| **Total** | **274.42** | **585.96** |
| Aggregate secured borrowings | - | 148.00 |
| Aggregate unsecured borrowings | 274.42 | 437.96 |

**Notes:**
**1) Details of OCRPS**
1(a) During the financial year ended March 31, 2024, the Company has issued 250,000,000 7% OCRPS with face value of Rs. 10 each, Rs. 6 each paid-up to Aditya Birla Fashion and Retail Limited. During the financial year ended March 31,2025, Rs. 4 each is paid up, making OCRPS as fully paid up.
(i) The OCRPS is redeemable at earlier of the end of 3 years from effective date or fund raising event at an agreed conversion ratio on the date of redemption.
(ii) Dividend at 7% per annum on the outstanding amount is payable on a cumulative basis.
(iii) The proceeds are for meeting the working capital requirements of the Company.
(iv) During the current financial year, on 28 June, 2025, OCRPS is converted into 27,26,64,284 equity shares and the necessary adjustments are done (Refer note 22).

1(b) OCRPS includes dividend acumulated of Rs. Nil (March 31, 2025 : Rs. 24.59) and is net off unamortised charges.

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

| Particulars | Security | Effective interest rate | Maturity | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|---|---|---|
| **NCD** | | | | | |
| 17,500 NCDs of face value of Rs.1 lakh each * | Unsecured | 8.80% | 26-Aug-27 | 174.81 | 174.81 |
| 10,000 NCDs of face value of Rs.1 lakh each * | Unsecured | 8.50% | 08-Aug-27 | 99.61 | - |
| **Term loans from financial institution** | | | | | |
| Aditya Birla Finance Limited - Tranche 1# | Secured - Current and fixed assets | 9.60% | 15-Jul-26 | 50.00 | 50.00 |
| Aditya Birla Finance Limited - Tranche 2# | | 9.45% | 15-Jul-26 | 98.00 | 98.00 |
| Aditya Birla Finance Limited - Tranche 3## | | 9.00% | 15-Aug-26 | 50.00 | 50.00 |

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

# Term loans outstanding as on March 31, 2026 are due to pay on 15 Jul 2026 and hence classified in current borrowings.
## During the year, the Company has availed term loan of Rs. 50 on Aug 15, 2025 which is repayable by Aug 15, 2026 and hence is classified in current borrowings.
The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.
The Company has used the borrowings from financial institutions for the specific purpose for which it was taken.
The Company has registered all the charges with Registrar of Companies (RoC) within the statutory period.

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**NOTE- 24**
**OTHER FINANCIAL LIABILITIES**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Security deposits from franchisees | 0.26 | 0.26 |
| Derivative - Liability (Refer Note 9) | 37.50 | 45.30 |
| **Total** | **37.76** | **45.56** |

**NOTE- 25**
**NON-CURRENT PROVISIONS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Employee benefit obligation | | |
| Provision for gratuity (Refer Note- 42) | 4.39 | 2.68 |
| **Total** | **4.39** | **2.68** |

**NOTE- 26**
**CURRENT - BORROWINGS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Secured** | | |
| **Loans repayable on demand from bank** | | |
| Bank overdraft (Refer Note 1 below) | 3.52 | 8.24 |
| **Current maturities of long term borrowings** | | |
| Term loan from NBFC (Refer Note 2 below) | 198.00 | - |
| Current maturity of NCD - interest accrued and not due | 14.63 | 8.24 |
| **Unsecured** | | |
| **Loans repayable on demand from financial institutions** | | |
| Working capital loan from NBFC (Refer Note 3 below) | 4.99 | 4.30 |
| **Total** | **221.14** | **20.78** |
| Aggregate secured borrowings | 201.52 | 8.24 |
| Aggregate unsecured borrowings | 19.62 | 12.54 |

**Terms of the borrowings:**

| Particulars | Repayment terms, interest rate and security |
|---|---|
| **1. Loans repayable on demand from bank** | |
| **Bank overdraft and cash credit** | |
| Overdaft facility from a Bank, balance outstanding Rs. 3.52 (March 31, 2025: Rs 8.24) | Repayable on demand. Secured by a first pari-passu charge on all current assets. Rate of interest is I-MCLR-6M which is currently at the rate of 8.8% p.a. (March 31, 2025: 9.00% p.a.) |
| **2. Current maturities of long term borrowings** | |
| Refer to Note 23 for terms related to term loan from NBFC. | |
| **3. Loans repayable on demand from financial institutions** | |
| Working Capital Term Loan from NBFC, balance outstanding Rs. 4.99 (March 31, 2025: 4.3) | Repayable on demand. Rate of interest as at year end is 9.75% p.a. (March 31, 2025: 9.4% p.a.) |

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**NOTE- 27**
**TRADE PAYABLES**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Total outstanding dues to micro enterprises and small enterprises (Refer details below) | 2.21 | 2.01 |
| Total outstanding dues of creditors other than micro enterprises and small Enterprises* | 9.47 | 4.93 |
| **Total** | **11.68** | **6.94** |

* Includes Rs. 0.95 Payable to related parties (March 31, 2025: Rs. 0.74). Refer Note 47.

**Trade payables ageing**

| Particulars | Outstanding as on March 31, 2026 ( for following periods from due date of payment ) | | | | | |
|---|---|---|---|---|---|---|
| | Not due (including unbilled) | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed MSME | 0.57 | 1.63 | 0.01 | - | - | **2.21** |
| (ii) Undisputed others | 6.93 | 2.43 | 0.08 | - | 0.03 | **9.47** |
| (iii) Disputed dues – MSME | | | | | | - |
| (iv) Disputed dues – Others | | | | | | - |
| | **7.50** | **4.06** | **0.09** | - | **0.03** | **11.68** |

| Particulars | Outstanding as on March 31, 2025 ( for following periods from due date of payment ) | | | | | |
|---|---|---|---|---|---|---|
| | Not due (including unbilled) | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed MSME | 0.67 | 1.28 | 0.06 | - | - | **2.01** |
| (ii) Undisputed others | 3.79 | 1.11 | - | 0.03 | - | **4.93** |
| (iii) Disputed dues – MSME | - | - | - | - | - | - |
| (iv) Disputed dues – Others | - | - | - | - | - | - |
| | **4.46** | **2.39** | **0.06** | **0.03** | - | **6.94** |

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: | | |
| Principal amount due to Micro and Small Enterprises* | 1.48 | 1.25 |
| Interest due on the above | 0.03 | 0.09 |
| b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | 0.04 | - |
| c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| d. The amount of interest accrued and remaining unpaid at the end of each accounting year | 0.16 | 0.09 |
| e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

* 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.

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**NOTE- 28**
**CURRENT FINANCIAL LIABILITIES - OTHERS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Interest accrued and due on borrowings | 0.73 | 0.68 |
| Amount payable to founders (Refer note 7a) | 32.46 | - |
| Employee payables | 14.89 | 8.99 |
| **Total** | **48.08** | **9.67** |

**NOTE- 29**
**CURRENT PROVISIONS**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Employee benefit obligation** | | |
| Provision for compensated absence | 2.74 | 2.26 |
| Provision for gratuity (Refer Note 42) | 0.20 | 0.13 |
| **Total** | **2.94** | **2.39** |

**NOTE- 30**
**OTHER CURRENT LIABILITIES**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Statutory dues (other than income taxes) | 1.44 | 1.76 |
| Refund Liabilities | 1.79 | 2.13 |
| Advances received from customers | 0.09 | 0.04 |
| **Total** | **3.32** | **3.93** |

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**Note -31**
**REVENUE FROM OPERATIONS**

**Accounting policy**

**(I) Revenue from contracts with customers**

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services and there are no unfulfilled obligations that affect the customers' acceptance of the products. Control of the products are considered to be transferred at a point in time when goods have been dispatched or delivered, as per the terms agreed with the customer. Revenue is recognised at the transaction price which the Company expects to be entitled. The Company does not adjust any of the transaction prices for the time value of money as contracts with the customers do not contain a significant financing component, since the sales are generally made with a credit period of 21 to 90 days, which is consistent with the market practice.

**Refund liabilities**

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

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

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Revenue from sale of products** | | |
| Sale of products | 15.21 | 10.89 |
| **Total** | **15.21** | **10.89** |
| **(a) Contract balances:** | | |
| **Contract assets** | | |
| Trade receivables | 5.12 | 4.61 |
| **Contract liabilities** | | |
| Advance received from customers | 0.09 | 0.04 |
| Refund liability | 1.79 | 2.13 |
| | **1.88** | **2.17** |

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

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Revenue as per contracted price | 23.39 | 14.22 |
| Less: | | |
| Sales return | (7.50) | (3.30) |
| Discount | (0.68) | (0.03) |
| | **15.21** | **10.89** |

(c) Company is into the business of sale of retail garments having the same nature and timing of revenue. Hence, no disaggregation of revenue has been provided.

*(This space has been intentionally left blank)*

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**Note -32**
**OTHER INCOME**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Fair value gain on financial instruments at FVTPL | 8.39 | 5.83 |
| Gain on retirement of right of use assets | 0.65 | 0.02 |
| Interest income on deposits to related parties (Refer note 47) | 5.60 | 2.38 |
| Interest income on income tax refund | 0.02 | - |
| Net gain on sale of current investments | 6.53 | 3.25 |
| Profit on sale of property, plant and equipment | - | 0.01 |
| Unwinding of discount on security deposits | 0.13 | 0.09 |
| Miscellaneous income | - | 0.02 |
| **Total** | **21.32** | **11.60** |

**NOTE- 33**
**OTHER GAINS/(LOSSES) - NET**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Gain on derivative assets and liabilities (net) (Refer note 9 and 24) | 79.55 | 72.40 |
| **Total** | **79.55** | **72.40** |

**NOTE- 34**
**PURCHASE OF STOCK IN TRADE**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Purchase of stock in trade | 16.40 | 11.00 |
| **Total** | **16.40** | **11.00** |

**Note -35**
**CHANGES IN INVENTORIES OF FINISHED GOODS**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| **Opening inventories** | | |
| Stock-in-trade | 4.92 | 5.31 |
| **Less: closing inventories** | | |
| Stock-in-trade | 9.82 | 4.92 |
| **Changes in inventories of finished goods, stock-in-trade, work in progress** | **(4.90)** | **0.39** |

**NOTE- 36**
**EMPLOYEE BENEFITS EXPENSE**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Salaries, wages and bonus | 61.74 | 59.33 |
| Contribution to provident and other funds | 1.49 | 1.23 |
| Share-based payment to employees (Refer Note 43) | 12.83 | 3.96 |
| Gratuity expense (Refer Note 42) | 1.04 | 0.84 |
| Staff welfare expenses | 2.27 | 1.81 |
| **Total** | **79.37** | **67.17** |

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**NOTE- 37**
**FINANCE COST**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Interest expense | | |
| - on borrowings | 18.26 | 7.28 |
| - on lease liabilities (Refer Note 4b and Note 45) | 1.76 | 0.49 |
| - on OCRPS | 5.23 | 19.43 |
| - on NCD | 21.16 | 9.20 |
| - on others | 0.16 | - |
| **Total** | **46.57** | **36.40** |

**NOTE- 38**
**DEPRECIATION AND AMORTISATION EXPENSE**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Depreciation on property, plant and equipment (Refer Note 3a) | 0.68 | 0.51 |
| Depreciation on right-of-use assets (Refer Note 4a) | 4.96 | 2.24 |
| Amortisation on intangible assets (Refer Note 5) | 1.32 | 1.31 |
| **Total** | **6.96** | **4.06** |

**NOTE- 39**
**OTHER EXPENSES**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Advertisement and sales promotion | 3.22 | 4.44 |
| Commission | 0.69 | 1.09 |
| Insurance | - | 0.03 |
| Transportation and handling charges | 2.51 | 1.66 |
| Information technology expenses | 14.54 | 3.56 |
| Legal and professional expenses | 19.36 | 18.08 |
| Fair value loss on financial instruments at FVTPL (investment in subsidiary) | 0.40 | - |
| Repair & maintenance | | |
| - Buildings | 0.18 | 0.21 |
| - Others | 0.05 | 0.09 |
| Rent (including warehouse charges) | 1.60 | 1.50 |
| Outsourcing, housekeeping and security | 2.86 | 2.25 |
| Electricity charges | 0.17 | 0.18 |
| Rates and taxes | - | 0.72 |
| Communication expenses | 0.10 | 0.22 |
| Royalty expenses | 0.16 | - |
| Payment to auditors (Refer Note below) | 0.43 | 0.39 |
| Travelling and conveyance | 1.94 | 1.12 |
| Warehousing charges | 1.22 | 0.74 |
| Printing And Stationery | 0.08 | 0.05 |
| Recruitment expenses | 0.40 | 0.16 |
| Miscellaneous expenses | 0.18 | 0.15 |
| **Total** | **50.09** | **36.64** |

**Payment to auditors :**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| For audit fees (including Limited Review fees) | 0.20 | 0.20 |
| For other services | 0.22 | 0.16 |
| For reimbursement of expenses | 0.01 | 0.03 |
| **Total** | **0.43** | **0.39** |

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**NOTE- 40**
**INCOME TAX EXPENSE**
The major components of income tax (income)/ expense are:

**Standalone Statement of Profit and Loss:**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Current income tax** | | |
| Current income tax charge | - | - |
| **Deferred tax** | | |
| Relating to origination and reversal of temporary differences | - | 8.55 |
| | - | **8.55** |
| **Total** | - | **8.55** |

**Other comprehensive income (OCI)**
**Deferred tax related to items recognised in OCI during the year**

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Relating to Re-measurements gains/ (losses) on defined benefit plans | - | - |
| **Total** | - | - |

**NOTE- 41**
**EARNINGS PER SHARE (EPS)**
Basic EPS amounts are calculated by dividing the profit/(loss) for the period attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Earnings Per Share (EPS) is calculated as under:** | | |
| Profit / (Loss) as per the Standalone Statement of Profit and Loss | (79.11) | (69.40) |
| **Profit / (Loss) for calculation of EPS** | **(79.11)** | **(69.40)** |
| Weighted average number of equity shares for calculation of Basic EPS | 76,62,36,438 | 50,00,00,000 |
| **Basic EPS (INR)** | **(1.03)** | **(1.39)** |
| Weighted average number of equity shares outstanding* | 76,62,36,438 | 50,00,00,000 |
| Weighted average number of equity shares for calculation of Diluted EPS | 76,62,36,438 | 50,00,00,000 |
| **Diluted EPS (INR)** | **(1.03)** | **(1.39)** |
| Nominal value of shares (INR) | 10.00 | 10.00 |

*Stock options granted to the employees under the ESOP scheme and OCRPS are considered to be potential equity shares. The same are not considered in the determination of diluted earnings per share as they are anti-dilutive. The stock options and OCRPS are not included in the determination of basic earnings per share.

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**NOTE: 42**
**GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS**
**(i) Defined contribution plans - Provident Fund, Employees' State Insurance and Labour welfare fund:**
**Unfunded defined benefit plan**
The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined using Projected Unit Credit Method at the end of each year. The Company's defined benefit plan is unfunded.

**Defined contribution plans**
Amount recognised as an expense and included in Note - 36 as "Contribution to provident and other funds."

**Risk exposure**
Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:
**i) Life Expectancy:** The present value of the defined benefit plan liability is calculated by reference to the best estimates of the mortality of plan participants both during and after their employment. An increase in life expectancy of the plan participants will increase the plan's liability.
**ii) 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.
**iii) 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.
**iv) Interest rate risk:** The defined benefit obligation caluclated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Net benefit expense recognised through the Standalone Statement of Profit and Loss**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Current service cost | 0.89 | 0.68 |
| Past service cost | 0.55 | - |
| Interest cost on defined benefit obligation | 0.22 | 0.16 |
| **Total** | **1.66** | **0.84** |

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

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Opening defined benefit obligation** | **2.81** | **2.20** |
| Current service cost | 0.89 | 0.68 |
| Past service cost | 0.55 | - |
| Interest cost on defined benefit obligation | 0.22 | 0.16 |
| Actuarial (gain)/ loss on account of: | | |
| Changes in financial assumptions | (0.11) | 0.04 |
| Experience adjustments | 0.20 | 0.04 |
| Actuarial (gain)/ loss recognised in OCI | **0.09** | **0.08** |
| Benefits paid | (0.01) | (0.33) |
| Transfer in/ out obligation* | **0.04** | 0.02 |
| **Closing defined benefit obligation** | **4.59** | **2.81** |

*On account of inter-company transfer.

**Changes in the defined benefit obligation and fair value of plan assets are as follows:**

**Net liability is classified as follows:**

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Fair value of the plan assets at the beginning of the year** | | |
| Current | 0.20 | 0.13 |
| Non-current | 4.39 | 2.68 |
| **Net liability** | **4.59** | **2.81** |

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**NOTE: 42 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
A quantitative sensitivity analysis for significant assumptions is as follows:

| Sensitivity level | As at March 31, 2026 | | As at March 31, 2025 | |
|---|---|---|---|---|
| | % Decrease in assumption | % Increase in assumption | % Decrease in assumption | % Increase in assumption |
| **Discount rate (- / + 0.5%)** | | | | |
| Increase / (Decrease) in DBO in Rs. | 0.18 | (0.17) | 0.12 | (0.11) |
| Increase / (Decrease) in DBO in % | 3.90% | (3.70%) | -4.10% | (3.90%) |
| **Salary escalation rate (- / + 0.5%)** | | | | |
| Increase / (Decrease) in DBO in Rs. | (0.16) | 0.17 | (0.11) | 0.11 |
| Increase / (Decrease) in DBO in % | 3.50% | 3.70% | -3.90% | 4.10% |
| **Withdrawl rate (- / + 50% of attrition rates)** | | | | |
| Increase / (Decrease) in DBO in Rs. | 0.80 | (0.51) | 0.71 | (0.42) |
| Increase / (Decrease) in DBO in % | 17.40% | 11.20% | 25.30% | (15.00%) |

There has been no change from the previous period in the method and assumptions used in preparing the sensitivity analysis.

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

| **Particulars** | **As at March 31, 2026** | **As at March 31, 2025** |
|---|---|---|
| Within the next 12 months (next annual reporting period) | 0.19 | 0.13 |
| Between 2 and 5 years | 1.84 | 0.95 |
| Between 6 and 10 years | 3.29 | 2.25 |
| Beyond 10 years | 3.34 | 2.09 |
| **Total** | **8.66** | **5.42** |

The weighted average duration (based on discounted cashflows) of the defined benefit plan obligation at the end of the reporting period is 8 years (March 31, 2025 : 8 years).

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

| **Particulars** | **As at March 31, 2026** | **As at March 31, 2025** |
|---|---|---|
| Discount rate (per annum) | 7.00% | 6.70% |
| Salary growth rate (per annum) | 8.00% | 8.00% |

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

| **Particulars** | **As at March 31, 2026** | **As at March 31, 2025** |
|---|---|---|
| Mortality rate | 100% of IALM 2012-14 | 100% of IALM 2012-14 |
| Normal retirement age | 60 Years | 60 Years |
| Up to 30 years | 18.00% | 18.00% |
| 31 - 40 years | 15.00% | 15.00% |
| Above 40 years | 10.00% | 10.00% |

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**NOTE: 42 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

**LEAVE OBLIGATIONS**

The leave obligations cover the Company's liability for earned leave and sick leave which are classified as other long-term benefits.

The entire amount of the provision of Rs. 2.74 (March 31, 2025 : INR2.26) is presented as current, since the Company does not have an unconditional right to defer settlement of any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

| Particulars | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Leave obligations not expected to be settled within the next 12 months | 2.74 | 2.26 |

**DEFINED CONTRIBUTION PLANS**

Amount recognsied as an expense and included in Note as "Contribution to provident and other funds

| Particulars | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| Contribution to Employee Provident Fund Office (EPFO) | 1.33 | 0.63 |
| Contribution to Employee Pension Scheme (EPS) | 0.47 | 0.23 |
| Contribution to National Pension Scheme (NPS) | 0.92 | 0.37 |
| Total | **2.72** | **1.23** |

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**NOTE- 43**
**SHARE-BASED PAYMENT**
**Accounting policy**

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

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

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

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

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

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

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

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Expense arising from equity-settled share-based payment transactions (net of cross charge) | 10.69 | 3.96 |
| Expense arising from cash-settled share-based payment transactions | 2.14 | - |
| **Total** | **12.83** | **3.96** |

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

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

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

i) Details of grants under the scheme, 2022

| | |
|---|---|
| No. of Options/ RSUs | 4,52,53,810 |
| Method of accounting | Fair value |
| Vesting plan | Graded and Bullet vestings |
| Exercise period | 10 years from the date of grant |
| Grant date | December 30, 2022 Onwards |
| Grant/ exercise price (Rs. per share) | 10 |
| Market price on the date of granting of Options (Rs. per share) | 9.48 to 27.99 |
| Method of settlement | Equity |

**ii) Vesting conditions:**

a. Type 1 (Tranche 1 - 8) : The Options shall vest, subject to continued employment and not on notice period as of respective vesting dates given above.
b. Type 2 (Tranche 1 - 8) : The Options shall vest, subject to Achievement of annual performance milestones.
c. Type 3 (Tranche 1 - 5, 7 and 8) - The options shall vest, subject to Achievement of target valuation less funding for the year ending March 31, 2026.
d. Type 3 (Tranche 6) - The options shall vest, subject to Value of total Aditya Birla group (ABG)/Aditya Birla Fashion and Retail Limited (ABFRL) Holding in the venture at the end of Fiscal year ending March 31st, 2029, is equal to or higher that cumulative Investment Amount plus 20% (twenty percent) IRR on the investment Amount till the aforementioned period.
e. Type 4 (Tranche 1 - 12) : Continued employment and not on notice period as of respective vesting dates given above and Minimum Delivered Full Performance ("DFP") rating in the respective year of vesting

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**NOTE- 43 SHARE-BASED PAYMENT (Continued)**

**iii) Movement of Options granted**

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

| Particulars | As at March 31, 2026 No. of Options | As at March 31, 2025 No. of Options |
|---|---|---|
| Outstanding at the beginning of the financial year | **2,99,65,845** | **2,51,84,514** |
| Granted during the financial year | 1,46,52,292 | 54,00,398 |
| Exercised during the financial year* | (5,71,039) | - |
| **Total Options available before lapse** | **4,40,47,098** | **3,05,84,912** |
| Lapsed during the financial year | (5,15,950) | (6,19,067) |
| **Outstanding at the end of the financial year** | **4,35,31,148** | **2,99,65,845** |
| **Unvested at the end of the financial year** | **2,75,04,621** | **2,08,69,584** |
| **Vested at the end of the financial year** | **1,60,26,527** | **90,96,261** |

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

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

| Particulars | No. of Options |
|---|---|
| Expected dividend yield (%) | Nil |
| Expected volatility (%) | 26.23% to 30.67% |
| Risk-free interest rate (%) | 6.66% to 7.04% |
| Weighted average fair value per Option (₹) | 4.95 to 23.18 |
| Model used | Binomial Method |

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**NOTE: 44**
**EXCEPTIONAL ITEMS (NET)**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Gratuity | 0.61 | - |
| **Total** | **0.61** | **-** |

Effective November 21, 2025, the Government of India consolidated 29 existing labour regulation into four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020, collectively referred to as 'New Labour codes'. The New Labour codes has resulted in a one-time material increase in provision for employee benefits on account of recognition of past service costs. Based on the requirement as per the New labour codes and relevant Accounting standard, the Company has assessed and accounted the estimated incremental impact as Exceptional item in the statement of profit or loss for the year ended March 31, 2026 of Rs. 0.61 (March 31, 2025 : Nil). Upon notification of the related rules to New Labour codes by the government and any further classifications from the Government on other aspects of New Labour codes, the Company will evaluate and account for additional impact if any, determined in subsequent periods.

**NOTE- 45**
**COMMITMENTS AND CONTINGENCIES**
**a) Leases**
**Lease commitments as lessee**
The Company has entered into agreements for taking on lease certain office premises, warehouses on lease basis. The lease term is for 11 months to 5 years, with escalation clauses in the lease agreements.

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

| | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|---|---|---|
| **Rent** | | |
| Expense relating to short-term leases and low value assets (Refer note 39) | 1.60 | 1.50 |
| **Finance cost** | | |
| Interest expense on lease liabilities (Refer note 37) | 1.76 | 0.49 |
| **Depreciation and amortisation expenses** | | |
| Depreciation on right-of-use assets (Refer note 38) | 4.96 | 2.24 |

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

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Within one year | 8.17 | 2.67 |
| After one year but not more than five years | 32.81 | 2.13 |
| More than five years | 0.81 | - |
| **Total** | **41.80** | **4.80** |

Total cash outflow for leases for the year ended March 31, 2026 is Rs. 4.50 (March 31, 2025: Rs. 4.05) (includes payments for short term leases).

**b) Capital commitments**

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | - | - |

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**NOTE- 46**
**CONTINGENT LIABILITIES**
**Accounting policy:**
**Provisions and contingent liabilities**
The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

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

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

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

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

The Company does not have any contingent liabilities as on March 31, 2026 and March 31, 2025.

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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Aditya Birla Digital Fashion Ventures Limited
CIN: U14101MH2022PLC380326
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(All amounts in Rs. Crore unless otherwise stated)

**NOTE- 47**
**RELATED PARTY TRANSACTIONS**

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

**Names of related parties**

**Holding Company**
Aditya Birla Fashion and Retail Limited

**Subsidiaries (including step down subsidiary)**

Pratyaya E-Commerce Private Limited
Awesomefab Shopping Private Limited
Imperial Online Services Private Limited
Bewakoof Brands Private Limited
Next Tree Products Private Limited
Styleverse Lifestyle Private Limited

**Associate company**
Wrogn Private Limited ('Wrogn') ( Formerly known as Universal Sportsbiz Private Limited) (with effect from June 19, 2024)

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

| | |
|---|---|
| Prashanth Aluru | Chief Executive Officer and Whole-time Director |
| Manoj Fitkariwala | Chief Financial Officer ( with effective from October 28, 2024) * |
| Pawan Kesarwani | Chief Financial Officer ( with effective till April 4, 2024) * |
| Sonia Bhandari | Company Secretary ( with effective from February 5, 2025) * |
| Yoshita Vora | Company Secretary ( with effective till November 6, 2024) * |
| Jagdish Bajaj | Non-Executive Director |
| Ashish Dikshit | Non-Executive Director |
| Aryaman Vikram Birla | Non-Executive Director |
| Sangeeta Tanwani | Non-Executive Director |

*No transactions noted in the current year

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

| Particulars | Year ended March 31, 2026 | | | |
|---|---|---|---|---|
| | Holding Company | Subsidiaries including step down subsidiary | Associate | KMP |
| Reimbursement of corporate cost and other expense | 7.24 | - | - | - |
| Interest expense on OCRPS | 5.23 | - | - | - |
| Investment made - equity shares | - | 121.00 | 0.81 | - |
| Investment made - loan conversion | - | 35.20 | - | - |
| Investment made - Preference shares | - | - | 41.57 | - |
| Interest income | - | 5.60 | - | - |
| Loans to related party given | - | 135.50 | - | - |
| Loans to related party repaid | - | 123.00 | - | - |
| Purchase of goods | - | 0.38 | 0.05 | - |
| Reimbursement of royalty and other expenses | - | 2.46 | - | - |
| Remuneration paid to KMP# | - | - | - | 12.62 |

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**NOTE- 47 RELATED PARTY TRANSACTIONS (Continued)**

| Particulars | Year ended March 31, 2025 | | | |
|---|---|---|---|---|
| | Holding Company | Subsidiaries including step down subsidiary | Associate | KMP |
| Reimbursement for legal and professional fees | 4.58 | - | - | - |
| Issue of Optionally convertible Redeemable preference shares | 100.00 | - | - | - |
| Reimbursement received of TDS on ESOP | 0.09 | - | - | - |
| Reimbursement of other expenses | 0.38 | - | - | - |
| Reimbursement relating to employee transfer | 0.21 | - | - | - |
| Reimbursement of expenses from Holding Company | 0.06 | - | - | - |
| Loan taken | 30.00 | - | - | - |
| Loan repaid | 30.00 | - | - | - |
| Interest expense on OCRPS | 19.43 | - | - | - |
| Interest Expense | 0.07 | - | - | - |
| Investment made - equity shares | - | 12.00 | 23.09 | - |
| Investment made - preference shares | - | 15.01 | 125.00 | - |
| Investment made - loan conversion | - | 50.02 | - | - |
| Interest income | - | 2.38 | - | - |
| Loans to related party given | - | 69.02 | - | - |
| Loans to related party repaid | - | 4.00 | - | - |
| Purchase of stock in trade | - | 0.01 | - | - |
| Expense cross charge - income | - | 1.28 | - | - |
| Sale of goods | - | 0.02 | - | - |
| Remuneration paid to KMP# | - | - | - | 5.58 |

Nil (March 31, 2025: Nil) cross charge for support services provided by the Company to its subsidiary companies pursuant to the terms agreed with the subsidiary companies.

**Balances outstanding**

| Particulars | As at March 31, 2026 | | | |
|---|---|---|---|---|
| | Holding Company | Subsidiaries including step down subsidiary | Associate | KMP |
| Amounts owed to related parties | 0.95 | - | - | - |
| Amounts owed by related parties | - | 1.67 | - | - |
| Interest receivable on loans | - | 0.18 | - | - |

**Balances outstanding**

| Particulars | As at March 31, 2025 | | | |
|---|---|---|---|---|
| | Holding Company | Subsidiaries including step down subsidiary | Associate | KMP |
| Amounts owed to related parties | 0.74 | - | - | - |
| Loans to related parties | - | 22.99 | - | - |
| Interest receivable on loans | - | 0.29 | - | - |
| Trade receivables from subsidiaries | - | 0.03 | - | - |
| Other receivables from subsidiaries | - | 0.53 | - | - |
| OCRPS | 238.56 | - | - | - |
| Interest accrued on OCRPS | 24.59 | - | - | - |

**Terms and conditions of transactions with related parties:**
Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. Loans to wholly-owned subsidiaries are unsecured, interest bearing and settlement occurs in cash. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial years through examining the financial position of the related party and the market in which the related party operates.

**Compensation of KMP of the Company**

| Particulars | Year ended March 31, 2026 | Year ended March 31, 2025 |
|---|---|---|
| Short-term employee benefits | 6.56 | 5.25 |
| Post-employment benefits | 0.08 | 0.08 |
| Employees share based payment | 5.99 | 0.25 |
| **Total** | **12.62** | **5.58** |

The amounts disclosed in the table are the amounts recognized as expense during the reporting period related to key managerial personnel.

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**NOTE: 48**

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

**A. Accounting classification and fair values**

The carrying value and fair value of financial instruments by categories as at March 31, 2026 and March 31, 2025 are as follows:

**As at March 31, 2026**

| Particulars | Note reference | FVTPL | FVTOCI | Amortised cost* | Total carrying value | Total fair value | Fair Value | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Level 1 | Level 2 | Level 3 |
| **Financial assets** | | | | | | | | | |
| Investment in mutual funds | 7b | 313.44 | - | - | 313.44 | 313.44 | 313.44 | - | - |
| Investment in subsidiaries and an associate | 7a | 18.70 | - | - | 18.70 | 18.70 | - | - | 18.70 |
| Loans | 14 | 0.30 | - | - | 0.30 | 0.30 | - | - | 0.30 |
| Security deposits | 8 and 15 | | | 3.07 | 3.07 | 3.07 | | | - |
| Trade receivables | 16 | - | - | 5.12 | 5.12 | 5.12 | - | - | - |
| Cash and cash equivalents | 17 | - | - | 1.85 | 1.85 | 1.85 | - | - | - |
| Other financial assets (includes Derivative | 18 | 151.76 | - | 1.89 | 153.65 | 153.65 | - | - | 151.76 |
| **Total** | | **484.20** | **-** | **11.93** | **496.13** | **496.13** | **313.44** | **-** | **170.76** |
| **Financial liabilities** | | | | | | | | | |
| Non-current borrowings | 23 | - | - | 274.42 | 274.42 | 274.42 | - | - | - |
| Current borrowings | 26 | - | - | 221.14 | 221.14 | 221.14 | - | - | - |
| Trade payables | 27 | - | - | 11.68 | 11.68 | 11.68 | - | - | - |
| Other financial liabilities (includes Derivative instruments) | 30 | 37.50 | - | 48.34 | 85.84 | 85.84 | - | - | 37.50 |
| **Total** | | **37.50** | **-** | **556.31** | **593.08** | **593.08** | **-** | **-** | **37.50** |

**As at March 31, 2025**

| Particulars | Note reference | FVTPL | FVTOCI | Amortised cost* | Total carrying value | Total fair value | Fair Value | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Level 1 | Level 2 | Level 3 |
| **Financial assets** | | | | | | | | | |
| Investment in mutual funds | 7b | 81.02 | - | - | 81.02 | 81.02 | 81.02 | - | - |
| Investment in subsidiaries and an | 7a | 19.10 | - | - | 19.10 | 19.10 | - | - | 19.10 |
| Loans | 14 | 23.02 | - | - | 23.02 | 23.02 | - | - | 23.02 |
| Trade receivables | 16 | - | - | 4.61 | 4.61 | 4.61 | - | - | - |
| Cash and cash equivalents | 17 | - | - | 0.86 | 0.86 | 0.86 | - | - | - |
| Other financial assets (includes Derivative | 18 | 117.70 | - | 1.72 | 119.42 | 119.42 | - | - | 117.70 |
| **Total** | | **240.84** | **-** | **7.19** | **248.03** | **248.03** | **81.02** | **-** | **159.82** |
| **Financial liabilities** | | | | | | | | | |
| Non-current borrowings | 23 | - | - | 585.96 | 585.96 | 585.96 | - | - | - |
| Current borrowings | 26 | - | - | 20.78 | 20.78 | 20.78 | - | - | - |
| Trade payables | 27 | - | - | 6.94 | 6.94 | 6.94 | - | - | - |
| Other financial liabilities (includes Derivative | 30 | 45.30 | - | 9.93 | 55.23 | 55.23 | - | - | 45.30 |
| **Total** | | **45.30** | **-** | **623.61** | **668.91** | **668.91** | **-** | **-** | **45.30** |

*Carrying value of financial instruments measured at amortised cost equals to the fair value.
**The investments made in subsidiaries and associate as at March 31, 2026 - Rs. 888.14 (March 31, 2025: Rs. 689.86) are measured at cost.
***Lease liabilites are not included for the purpose of disclosure.

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**NOTE: 48 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**Key inputs for level 1 and 3 fair valuation techniques**
a) Derivative Instruments
i) Option contracts: Fair value of option contracts is determined basis valuation performed by independent valuer appointed by the Company (level 3).
b) Investment:
i) Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)
ii) Unquoted investment in subsidiary: Fair value of an investment in OCPS, a convertible bond is determined based on valuation performed by independent valuer appointed by the Company (level 3).

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

**Financial instruments measured at fair value**

| Particulars | Fair Value As at March 31, 2026 | Significant unobservable inputs | Fair Value Increase by 0.50% | Fair Value Decrease by 0.50% | Sensitivity |
|---|---|---|---|---|---|
| Call Option | 151.76 | Risk adjusted discount rate | 154.22 | 148.31 | Increase in discount rate by 0.50% would increase the fair value by 2.46 Crore and decrease in discount rate by 0.50% would decrease the fair value by 3.45 Crore |
| | | EBITDA margin projection | 149.53 | 153.02 | Increase in margin by 0.50% would decrease the fair value by 2.23 Crore and decrease in margin by 0.50% would increase the fair value by 1.26 Crore |
| | | Revenue projection | 150.26 | 152.23 | Increase in revenue by 0.50% would decrease the fair value by 1.5 Crore and decrease in revenue by 0.50% would increase the fair value by 0.47 Crore |
| Put Option | 37.50 | Risk adjusted discount rate | 37.02 | 37.84 | Increase in discount rate by 0.50% would decrease the fair value by 0.48 Crore and decrease in discount rate by 0.50% would increase the fair value by 0.34 Crore |
| | | EBITDA margin projection | 38.25 | 35.91 | Increase in margin by 0.50% would increase the fair value by 0.75 Crore and decrease in margin by 0.50% would decrease the fair value by 1.59 Crore |
| | | Revenue projection | 37.77 | 37.31 | Increase in revenue by 0.50% would increase the fair value by 0.27 Crore and decrease in revenue by 0.50% would decrease the fair value by 0.19 Crore |

| Particulars | Fair Value As at March 31, 2025 | Significant unobservable inputs | Fair Value Increase by 0.50% | Fair Value Decrease by 0.50% | Sensitivity |
|---|---|---|---|---|---|
| Call Option | 117.70 | Risk adjusted discount rate | 121.50 | 114.70 | Increase in discount rate by 0.50% would increase the fair value by Rs. 3.80 and decrease in discount rate by 0.50% would decrease the fair value by Rs. 3.00 |
| | | EBITDA margin projection | 115.10 | 120.70 | Increase in margin by 0.50% would decrease the fair value by Rs. 2.60 and decrease in margin by 0.50% would increase the fair value by Rs. 3.00 |
| | | Revenue projection | 116.50 | 119.80 | Increase in revenue by 0.50% would decrease the fair value by Rs. 1.20 and decrease in revenue by 0.50% would increase the fair value by Rs. 2.10 |
| Put Option | 45.30 | Risk adjusted discount rate | 44.60 | 46.00 | Increase in discount rate by 0.50% would decrease the fair value by Rs. 0.70 and decrease in discount rate by 0.50% would increase the fair value by Rs. 0.70 |
| | | EBITDA margin projection | 47.30 | 43.60 | Increase in margin by 0.50% would increase the fair value by Rs. 2.00 and decrease in margin by 0.50% would decrease the fair value by Rs. 1.70 |
| | | Revenue projection | 46.10 | 44.90 | Increase in revenue by 0.50% would increase the fair value by Rs. 0.80 and decrease in revenue by 0.50% would decrease the fair value by Rs. 0.40 |

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**NOTE: 48 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

**B. Risk management objectives and policies**

The Company's principal financial liabilities, comprise of 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 trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**a) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026 and March 31, 2025.

**i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

**Interest rate sensitivity**

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

| | As at March 31, 2026 | As at March 31, 2025 |
|---|---|---|
| **Basis points (%)** | 0.50% | 0.50% |
| Increase/ decrease in Profit/ loss before tax | (1.11) | (0.06) |
| Increase/ decrease in Profit/ loss after tax | 1.11 | 0.06 |

**ii) Foreign currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency. Company's foreign risk for the year ended March 31, 2026 and March 31, 2025 are insignificant.

**b) Credit risk**

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

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

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

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2026 and March 31, 2025 is the carrying amount as provided in Note - 16.

**c) Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time. The Company's principal sources of liquidity are cash and cash equivalents, continuing funding from holding company, use of bank overdrafts, bank loans, issue of debentures and preference shares. Approximately, 43.70% of the Company's debt will mature inless than one year (March 31, 2025: 5.95%) based on the carrying value of financial liabilities reflected in the standalone financial statements. The Company believes that the working capital is sufficient to meet its current requirements. The Company assessed the concentration of risk with respect to refinancing its debts and concluded it to be low.

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**NOTE: 48 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)**

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

| **As at March 31, 2026** | **Carrying amount** | **Less than 1 year** | **1 to 5 years** | **More than 5 years** | **Total** |
|---|---|---|---|---|---|
| **Non-derivative liabilities** | | | | | |
| Borrowings (other than preference shares) | 496.29 | 221.87 | 274.42 | | 496.29 |
| OCRPS | | | | | - |
| Lease liabilities | 34.80 | 8.17 | 32.81 | 0.81 | 41.80 |
| Other financial liabilities | 48.34 | 48.08 | 0.26 | | 48.34 |
| Trade payables | 11.68 | 11.68 | | | 11.68 |
| **Total non-derivative liabilities** | **591.11** | **289.80** | **307.49** | **0.81** | **598.11** |
| **Derivatives** | | | | | |
| Other financial liabilities - Derivative - Liability | 37.50 | | 37.50 | | 37.50 |
| **Total derivative liabilities** | **37.50** | - | **37.50** | - | **37.50** |

| **As at March 31, 2025** | **Carrying amount** | **Less than 1 year** | **1 to 5 years** | **More than 5 years** | **Total** |
|---|---|---|---|---|---|
| Borrowings (other than preference shares) | 343.59 | 20.78 | 322.81 | - | 343.58 |
| OCRPS | 263.15 | - | 263.15 | - | 263.15 |
| Lease liabilities | 4.43 | 2.67 | 2.13 | - | 4.80 |
| Other financial liabilities | 9.93 | 9.67 | 0.26 | - | 9.93 |
| Trade payables | 6.94 | 6.94 | - | - | 6.94 |
| **Total** | **628.04** | **40.06** | **588.35** | - | **628.41** |
| **Derivatives** | | | | | |
| Other financial liabilities - Derivative - Liability | 45.30 | - | 45.30 | - | 45.30 |
| **Total derivative liabilities** | **45.30** | - | **45.30** | - | **45.30** |

**NOTE: 49**
**CAPITAL MANAGEMENT**

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics.
The following table summarises the capital of the Company (debts excludes lease liabilities):

| | **As at March 31, 2026** | **As at March 31, 2025** |
|---|---|---|
| Short-term debts | 221.14 | 20.78 |
| Long-term debts | 274.42 | 585.96 |
| **Total borrowings (a)** | **495.56** | **606.74** |
| Less: Cash and cash equivalents (b) | 1.85 | 0.86 |
| **Net debt (c=a-b)** | **493.71** | **605.88** |
| **Total Equity (d)** | **917.38** | **299.29** |
| **Total debt and equity (e=(c+d))** | **1,411.09** | **905.17** |
| **Gearing ratio (times) (c/(e))** | 0.35 | 0.67 |

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

**(i) Financial instruments**
(i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:
the asset is held within a business model whose objective is to collect the contractual cash flows, and the contractual terms give rise to cash flows that are solely payments of principal and interest.

(ii) Classification of financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities (unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss. These are strategic investments and the Company considers this classification to be more relevant.

(iii) Classification of financial assets at fair value through profit or loss
The Company classifies the following financial assets at fair value through profit or loss (FVTPL):
- debt investments (bonds, debentures, and mutual funds) that do not qualify for measurement at either amortised cost or FVOCI,
- equity investments that are held for trading, and

- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI, and Investments in financial instruments issued by subsidiaries, associate and joint venture, whose contractual terms are not wholly equity in nature.

**(ii) De-recognition of financial assets and financial liabilities**
The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

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**NOTE: 51**
**RATIO DISCLOSURES**

| Particulars | As at March 31, 2026 | As at March 31, 2025 | % Change | Reasons for variance more than 25% |
|---|---|---|---|---|
| Current ratio (times)[1] | 1.18 | 3.07 | (61.59%) | The decrease in the ratio is primarily attributable to an increase in working capital borrowings during the year. |
| Debt equity ratio (times)[2] | 0.20 | 1.73 | (88.64%) | During the current year, OCRPS is converted into equity leading to a reduction in Debt Equity ratio compared with the previous year. |
| Debt service coverage ratio (times)[3] | (0.41) | (1.23) | (66.73%) | Change in ratio is on account of conversion of OCRPS into equity during the year. |
| Return On Equity (%)[4] | (12.99%) | (21.00%) | (38.14%) | Due to the increase in equity shareholding due to conversion of OCRPS has lead to the change in ratio during the year. |
| Inventory turnover ratio(times)[5] | 2.06 | 2.13 | (3.11%) | Below threshold |
| Debtors turnover (times)[6] | 3.13 | 2.94 | 6.34% | Below threshold |
| Trade Payables turnover (times)[7] | 1.76 | 1.50 | 17.44% | Below threshold |
| Net capital turnover (times)[8] | 0.23 | 0.35 | (34.93%) | Change in ratio is on account of short term borrowings taken during the year for the purposes of working capital management. |
| Net profit margin (%)[9] | (5.20) | (6.37) | (18.44%) | Below threshold |
| Return On Average Capital Employed (%)[10] | (5.23%) | (7.00%) | (25.23%) | Due to the increase in equity shareholding due to conversion of OCRPS has lead to the change in ratio during the year. |
| Return On Investment (%)[11] | (2.51%) | (3.00%) | (16.35%) | Below threshold |

**Ratios have been computed as follows:**

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

* Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**NOTE- 52**
**ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III**

**(i) DETAILS OF BENAMI PROPERTY HELD**
No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

**(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES**
The Company and an associate has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

**(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES**
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS**
The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**(v) WILFUL DEFAULTER**
The Company and an associate has not been declared willful defaulter by any bank or financial institution or government or any government authority.

**(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS**
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year. (Refer Note 52 and 53)

**(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM**
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), 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.

The Company has not received any funds from any person(s) or entity(ies), 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.

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

**(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY**
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS), INTANGIBLE ASSETS AND INVESTMENT PROPERTY**
The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets), Intangible assets and Investment property during the current or previous year.

**(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES**
There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory year.

**NOTE 53 :**
During the year ended March 31, 2026, no material foreseeable loss (March 31, 2025: Nil) was incurred for any long,term contract. The Company has made provision, as required under the India accounting standards, for material foreseeable losses, if any, on derivative contracts as at March 31, 2025.

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**NOTE 54 :**
**SUMMARY OF OTHER ACCOUNTING POLICIES**

This note provides a list of other accounting policies adopted in the preparation of these standalone financial statements to the extent they have not already been disclosed under the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(i) Segment information**

The segment information as per Ind AS 108 "operating segment" is provided on the basis of consolidated financial statement, hence the same is not provided seperately for the standalone financial statement.

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

The Company measures financial instruments, such as investments (other than equity investments made in subsidiaries and an associate) and derivatives at fair value at each Balance Sheet date.

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

(a) In the principal market for the asset or liability; or

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

The principal or the most advantageous market must be accessible by the Company.

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

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

The Company uses valuation techniques that are appropriate in the circumstances, and for which sufficient data are available to measure the fair value, 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 standalone financial statements are categorised within the fair value hierarchy based on its nature, characteristics and risks:

Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 - valuation techniques for which the lowest level input that Is slgnificant to the fair value measurement is directly or indirectly observable; and
Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

**(iii) Borrowing costs**

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

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

**(iv) Taxes**

**Current tax**

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

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

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

**(v) Financial instruments**

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

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the Standalone statement of profit and loss.

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

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

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

**(a) Non-derivative financial assets**
**I) Financial assets at amortised cost**
Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:
• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
• The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone statement of profit and loss and is included in the 'Other income' line item.

**II) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)**
An instrument shall be measured at FVTOCI, if both of the following conditions are met:
• The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
• The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).
Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone statement of profit and loss. The Company has not designated any debt instrument as at FVTOCI.

**III) Financial assets at Fair Value Through Profit or Loss (FVTPL)**
Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.
A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The net gain or loss recognised in the Standalone statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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

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

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

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**(b) Non derivative financial liabilities**

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

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

(1) Equity instruments:

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

(2) Financial liabilities:

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

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

**Financial liabilities at FVTPL:**

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

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

• It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or

• On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

• It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

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

• Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

• The financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or

• It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone statement of profit and However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit and loss, in which case these effects of changes in credit risk are recognised in the Standalone statement of profit and loss. The remaining amount of change in the fair value of liability is always recognised in the standalone statement of profit and loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone statement of profit and loss.

**Financial liabilities subsequently measured at amortised cost:**

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

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

**(II) Loans and borrowings**

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

**(III) Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost, the exchange differences are recognised in the Standalone statement of profit and loss.

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

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

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

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

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

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

**Offsetting financial instruments**

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

**(vi) Provisions and contingent liabilities**

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

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

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

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

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

**(vii) Employee benefits**

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

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

**(b) Defined contribution plan**

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

**(c) Defined benefit plan**

The Company operates a defined benefit gratuity plan in India. The gratuity is unfunded and is managed within the Company. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Statement of balance sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses (excluding amounts included in Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under OCI in other equity. Remeasurements gains or losses are not reclassified subsequently to the standalone statement of profit and loss.

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**(d) Compensated absences**

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

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

**(viii) Share-based payment**

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

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

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

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

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

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

**(ix) Cash and cash equivalents**

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

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

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

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

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

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

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

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

**(xi) Intangible assets**

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

Intangible assets are amortised over the useful life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for intangible assets are reviewed at least at the end of each reporting period and changes if any, made on prospective basis. The amortisation expense is recognised in the standalone statement of profit and loss.

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

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ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

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**(xii) Business combination and goodwill**

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

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

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

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

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

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

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As per our report of even date
**For Price Waterhouse & Co Chartered Accountants LLP**
Chartered Accountants
ICAI Firm Registration No. 304026E/E-300009

**A. J. SHAIKH**
Partner
Membership No.: 203637

Place: Bengaluru
Date : May 14, 2026

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

**PRASHANTH ALURU**
(Whole-time Director)
DIN: 06923683

Place: Bengaluru
Date : May 14, 2026

**ASHISH DIKSHIT**
(Director)
DIN: 01842066

Place: Delhi
Date : May 14, 2026

ADITYA BIRLA DIGITAL FASHION VENTURES LTD.

**MANOJ FITKARIWALA**
(Chief Financial Officer)

Place: Mumbai
Date : May 14, 2026

**SONIA BHANDARI**
(Company Secretary)
Membership No.: A20650

Place: Delhi
Date : May 14, 2026