



SOHIL AGARWAL & ASSOCIATES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRANSFORMING RETAIL PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 including Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at March 31, 2023, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

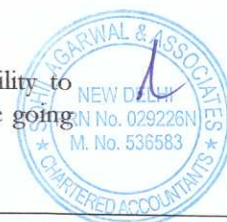
Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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.

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going



concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



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

Report on Other Legal and Regulatory Requirements

1. Based on our audit, we report that the company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
2. 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 A**" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. 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 purpose of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The financial statements dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**";
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (iv) (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the company to or in any person(s) or entity(ies) including foreign entities ("the 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 ("the ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

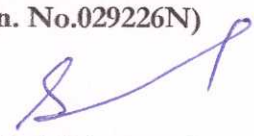
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("the funding parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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;
- (c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub clause (a) and (b) above contain any misstatement.
- (v) The company has not declared or paid any dividend during the year ended 31 March 2023.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Place: New Delhi
Date: 27.05.2023

UDIN: 23536583 BG4XDW 3884

For Sohil Agarwal and Associates
Chartered Accountants
(F. Regn. No.029226N)




(Sohil Agarwal)
Proprietor
M. No. 536583

Annexure - A to the Auditor's Report

As required by the Companies (Auditor's Report) Order, 2020 issued by Central Government of India in terms of sub-section (11) of section 143 of Companies Act 2013 we further report that:-

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The company did not hold immovable properties during the year. Accordingly, the provisions of clauses 3(i)(c) and 3(i)(d) of the Order are not applicable.
- (d) No proceedings have been initiated during the year or are pending against the company as at 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such verification.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 Crore, in aggregate, at any points of time during the year, from banks of financial institutions on the basis of security of current assets and hence, reporting under clause 3(ii)(b) of the order is not applicable.
- (iii) The Company has not made an investment or granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable.
- (iv) In our opinion and according to the informations and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of investments, guarantees and security. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory



dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues outstanding in respect of income tax, sales tax, duty of customs, duty of excise or value added tax which have not been deposited on account of any dispute, therefore reporting of amounts involved and forum where dispute is pending is not applicable.
- (viii) There were no transaction relating to previous unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) The company has no loan or borrowings payable to a financial institution, bank, Government or dues to debenture holders. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) or taken any term loans during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.
- (b) During the year, the Company has made preferential share allotment of 2,00,000 shares of ₹ 10 each.
- (xi) There is no fraud by the company or any fraud on the Company by its officers or employees noticed or reported during the year, therefore the reporting under the clause is not applicable.
- (xii) The company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi)(a), (b) and (c) of the Order are not applicable.
- (b) In our opinion, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the order are not applicable.



- (xvii) The Company has incurred cash losses amounting to ₹ 298.88 (₹ in lakhs) during the financial year covered by our audit, However, It has not incurred any cash losses in the immediately preceding Financial Year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (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 financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Corporate Social Responsibility (CSR) is not applicable on the Company, Accordingly the provisions of Clause 3(xx) of the Order are not applicable.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of financial statements of the company. Accordingly, no comment has been included in respect of the said clause under this report.

Place: New Delhi
Date: 27.05.2023

UDIN: 23536583 BG4XDW 3884

For Sohil Agarwal and Associates
Chartered Accountants
(F. Regn. No.029226N)



(Sohil Agarwal)
Proprietor
M. No. 536583

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

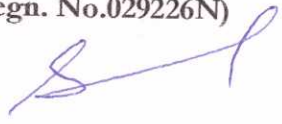
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

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

For Sohil Agarwal and Associates
Chartered Accountants
(F. Regn. No.029226N)




(Sohil Agarwal)
Proprietor
M. No. 536583

Place: New Delhi
Date: 27.05.2023

UDIN: 23536583 BG YX DW 3884

Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

1. Corporate information

Nature of operations

Transforming Retail Private Limited (the Company) was incorporated on September 24, 2014. The Company is engaged in business of trading and distribution of jewellery, accessories, gift items, etc. through retail stores, online stores, etc.

General information and statement of compliance with Ind AS

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('the Act'), Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other pronouncements/provisions of applicable laws.

The financial statements for the year ended March 31, 2023 were authorised and approved for issue by the Board of Directors on May 27, 2023. Revisions to financial statements, if required, is permitted by the Board of Directors subject to obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

2. Application of new and revised Indian Accounting Standard (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs ('MCA') under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements.

Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

a) Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

b) Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

c) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

d) Ind AS 109 – Annual Improvements to Ind AS

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

e) Ind AS 116 – Annual Improvements to Ind AS

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3. Summary of significant accounting policies

a) Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost basis except for certain financial assets and liabilities (refer note 32 for further details).

The financial statements of the Company are presented in Indian Rupees (₹), which is also its financial currency and all amounts disclosed in the financial statements and notes have been rounded off in the multiples of Lakhs.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified 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 equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified 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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. Deferred tax assets and liabilities are classified as non-current assets and liabilities.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

c) Foreign currency translation

Initial recognition

Transactions in foreign currencies are recorded on initial recognition in the functional currency at the exchange rates prevailing on the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Treatment of exchange difference

Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

d) Revenue recognition

Sales of goods

Revenue from sale of goods is recognised on transfer of risk and rewards of ownership of goods to the buyer and when no significant uncertainty exists regarding the amount of consideration that will be derived. The Company applies the revenue recognition criteria to each separately identifiable component of the sales transaction. Revenue is recorded net of any discounts and gifts provided by the Company.

Interest

Interest income is recognised on an accrual basis using the effective interest method. Other income is recognised when no significant uncertainty as to its determination or realisation exists.

e) Property, plant and equipment

Recognition and initial measurement

All items of property, plant and equipment are stated at their cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under property, plant and equipment.

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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on written-down value, computed on the basis of useful lives (as set out below) prescribed in Schedule II of the Act:

Asset category	Estimated useful life (in years)
Office equipment	5
Computers	3
Furniture and fixtures	10
Vehicles	8



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

f) Intangible assets

An intangible asset is a non-monetary, identifiable item without any physical substance that is within the control of an entity and is capable of generating future economic benefits for the entity.

Recognition and initial measurement

Intangible assets are recognised as per the cost model. As per the cost model an intangible asset is carried at its own cost less than any accumulated amortisation and any accumulated impairment losses after initial recognition. 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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Trademarks are amortised over the estimated useful life of the assets or ten years, whichever is lower, on straight line basis. Computer software are amortised over the estimated useful life of the assets or 3 years, whichever is lower, on written-down value basis.

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

De-recognition

An item of intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

g) Leases

Transition

Effective April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method and elected to measure the right-of-use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments that existed at the date of transition. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

The Company as a lessee

The Company's lease asset classes primarily consist of property leases. The Company assesses whether a contract contains a lease, at inception of a contract. 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 assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

h) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

i) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Subsequent measurement

i. Financial instruments at amortised cost – the financial instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. All the debt instruments of the Company are measured at amortised cost.

De-recognition of financial assets



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. These liabilities include borrowings.

De-recognition of financial liabilities

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

Offsetting of financial instruments

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

j) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider –

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies approach permitted by Ind AS 109, financial instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

k) Inventories

Stock-in-trade: Lower of cost or net realisable value. Cost is determined on FIFO basis.

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

l) Taxes on income



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in Other Comprehensive Income ("OCI") or directly in equity.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act. Current income-tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

Deferred income-tax is calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax assets or liability arising during tax holiday period is not recognised to the extent it reverses out within the tax holiday period. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity).

m) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than three months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

n) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

o) Post-employment, long term and short term employee benefits

Defined contribution plans

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions into funds established under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

Defined benefit plans

Gratuity is a post-employment benefit defined under The Payment of Gratuity Act, 1972 and is in the nature of a defined benefit plan. The liability recognised in the financial statements in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the OCI in the year in which such gains or losses are determined.

Short-term employee benefits



Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

p) Operating expenses

Operating expenses are recognised in the statement of profit or loss upon utilisation of the service or as incurred.

q) Borrowing costs

Borrowing costs directly attributable to the acquisitions, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred and reported in finance costs.

r) Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

s) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

t) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements and estimates

The following are significant management judgements and estimates in applying the accounting policies of the Company that have the most significant effect on the financial statements.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the year ended March 31, 2023

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Useful lives of depreciable/amortizable assets – Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.



Transforming Retail Private Limited
Statement of profit and loss for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	Notes	Year ended	Year ended
		March 31, 2023	March 31, 2022
REVENUE:			
Revenue from operations	20	13,969.93	12,622.00
Other income	21	0.54	3.15
Total income		13,970.47	12,625.15
EXPENSES:			
Purchases of stock-in-trade	22	13,886.89	12,343.09
Changes in inventories of stock-in-trade	23	(43.58)	15.33
Employee benefits expense	24	71.56	30.42
Finance Cost	25	28.08	21.72
Depreciation and amortisation expense	26	50.46	41.81
Other expenses	27	326.40	114.81
Total expenses		14,319.81	12,567.18
Profit before tax		(349.34)	57.97
Tax expense:			
Current tax	28	(85.45)	18.41
Deferred tax		(85.45)	18.41
Total tax expense		(170.90)	36.82
Profit for the period		(263.89)	39.56
OTHER COMPREHENSIVE INCOME:			
a) Items that will not be reclassified to profit or loss			
(i) Remeasurement of post employment benefit obligations		(5.78)	3.56
(ii) Income-tax relating to items that will not be reclassified to profit or loss		1.50	(0.93)
B i) Items that will be reclassified to profit or loss			
Total		(4.28)	2.63
Other Comprehensive Income for the year, net of tax		(4.28)	2.63
Total Comprehensive Income for the year		(268.17)	42.19
Earnings per equity share: (face value of ₹ 10 per share)	29		
Basic earnings per share (in ₹)		(1,246.89)	421.77
Diluted earnings per share (in ₹)		(1,246.89)	421.77

Notes 1 to 41 form an integral part of these financial statements.

This is the statement of profit and loss referred to in our report of even date

For Sohil Agarwal & Associates,

Chartered Accountants

FRN: 029226N


Sohil Agarwal
Proprietor
M. No.: 536583



Place : New Delhi

Date : 27.05.2023

For and on behalf of the Board of Directors



Gazal Gupta
Director
DIN-00033985



Nitin Gupta
Director
DIN-00078813

Transforming Retail Private Limited
Cash flow statement for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	(349.34)	57.97
Adjustments for:		
Depreciation and amortisation expense	50.46	41.81
Finance costs	28.08	21.72
Actuarial gain forming part of OCI	(5.78)	3.56
Operating profit before working capital changes	(276.58)	125.06
Adjustments for:		
Decrease/(increase) in inventories	(43.59)	15.33
Decrease/(increase) in non-financial assets	(19.98)	(74.11)
Decrease/(increase) in trade receivables	(159.32)	(4.01)
(Decrease)/increase in trade payables	31.16	8.51
(Decrease)/increase in financial liabilities	34.11	19.66
(Decrease)/increase in non-financial Liabilities	664.74	10.64
(Decrease)/increase in provisions	3.82	(5.08)
Cash (used in)/generated from operating activities	234.36	96.00
Direct taxes paid	18.20	6.27
Net cash (used in)/generated from operating activities (A)	216.16	89.73
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment including capital advances	(73.08)	(177.06)
Proceeds from disposal of property, plant and equipment	-	-
Net cash (used in)/generated from investing activities (B)	(73.08)	(177.06)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	20.00	-
Proceeds from long term loans, net of repayments	(86.89)	78.31
Payment of lease liabilities	(1.55)	(1.38)
Net cash (used in)/generated from financing activities (C)	(68.44)	76.93
Net (decrease)/increase in cash and cash equivalents (A+B+C)	74.64	(10.40)
Cash and cash equivalents at the beginning of the year	78.61	89.01
Cash and cash equivalents at the end of the year	153.25	78.61

Notes 1 to 41 form an integral part of these financial statements.

This is the cash flow statement referred to in our report of even date

For Sohil Agarwal & Associates,

Chartered Accountants

FRN: 029226N

Sohil Agarwal
Proprietor
M. No.: 536583



Place : New Delhi
Date : 27.05.2023

For and on behalf of the Board of Directors

Gazal Gupta

Gazal Gupta
Director
DIN-00033985

Nitin Gupta

Nitin Gupta
Director
DIN-00078813

Transforming Retail Private Limited
Statement of changes in equity for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

A Equity share capital:		Note	No. of shares	Amount
Issued, subscribed and fully paid up Equity shares of ₹ 10 each				
Balance as at April 01, 2021	13		10,000.00	1.00
Changes in equity share capital during the year				-
Balance as at March 31, 2022	13		10,000.00	1.00
Changes in equity share capital during the year			2,00,000.00	20.00
Balance as at March 31, 2023	13		2,10,000.00	21.00

B Other equity:

Particulars	Reserves and surplus					Total
	Securities premium	General reserves	Share option outstanding account	Retained earnings	Items of other comprehensive income Remeasurement of employee defined benefit plans	
Balance as at April 01, 2021	-	-	-	(707.52)	-	(707.52)
Profit for the period	-	-	-	39.56	-	39.56
IND-AS 116 Transition adjustments	-	-	-	-	-	-
Other comprehensive income for the year (net of income tax)	-	-	-	-	2.63	2.63
Total comprehensive income	-	-	-	39.56	2.63	42.19
Share expense option for the year	-	-	-	-	-	-
Share option expense reversal	-	-	-	-	-	-
Transactions with owners in their capacity as owners:	-	-	-	-	-	-
Balance as at March 31, 2022	-	-	-	(667.96)	2.63	(665.33)
Profit for the period	-	-	-	(263.89)	-	(263.89)
IND-AS 116 Transition adjustments	-	-	-	-	-	-
Other comprehensive income for the year (net of income tax)	-	-	-	-	(4.28)	(4.28)
Total comprehensive income	-	-	-	(263.89)	(4.28)	(268.17)
Share expense option for the year	-	-	-	-	-	-
Share option expense reversal	-	-	-	-	-	-
Transactions with owners in their capacity as owners:	-	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	(931.85)	(1.65)	(933.50)

Notes 1 to 41 form an integral part of these financial statements.

This is the statement of changes in equity referred to in our report of even date

For Sohil Agarwal & Associates,
Chartered Accountants
FRN: 029226N

Sohil Agarwal
Proprietor
M. No.: 536583

Place : New Delhi
Date : 27.05.2023



For and on behalf of the Board of Directors

Gazal Gupta

Gazal Gupta
Director
DIN-00033985

Nitin Gupta

Nitin Gupta
Director
DIN-00078813

Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 4: Property, plant and equipment					
	<u>Office equipment</u>	<u>Computers</u>	<u>Furniture & fixtures</u>	<u>Vehicles</u>	<u>Total</u>
Gross block:					
Balance as at April 01, 2021	10.00	4.43	1.72	7.72	23.87
Additions	-	-	-	177.06	177.06
Disposals	-	-	-	-	-
Balance as at March 31, 2022	10.00	4.43	1.72	184.78	200.93
Additions	-	-	-	10.26	10.26
Disposals	-	-	-	-	-
Balance as at March 31, 2023	10.00	4.43	1.72	195.04	211.19
Accumulated depreciation and amortisation:					
Balance as at April 01, 2021	9.25	4.20	1.27	1.39	16.11
Charge for the period	0.33	0.01	0.12	40.00	40.46
Reversal on disposals	-	-	-	-	-
Balance as at March 31, 2022	9.58	4.21	1.39	41.39	56.57
Charge for the period	-	-	0.09	47.34	47.43
Reversal on disposals	-	-	-	-	-
Balance as at March 31, 2023	9.58	4.21	1.48	88.73	104.00
Net block:					
Balance as at March 31, 2023	0.42	0.22	0.24	106.31	107.19
Balance as at March 31, 2022	0.42	0.22	0.33	143.39	144.36



Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 5: Intangible assets			
	Computer software	Trademarks	Total
Gross block:			
Balance as at April 01, 2021	0.52	-	0.52
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2022	0.52	-	0.52
Additions	-	45.00	45.00
Disposals	-	-	-
Balance as at March 31, 2023	0.52	45.00	45.52
Accumulated depreciation and amortisation:			
Balance as at April 01, 2021	0.49	-	0.49
Charge for the period	-	-	-
Reversal on disposals	-	-	-
Balance as at March 31, 2022	0.49	-	0.49
Charge for the period	-	1.68	1.68
Reversal on disposals	-	-	-
Balance as at March 31, 2023	0.49	1.68	2.17
Net block:			
Balance as at March 31, 2023	0.03	43.32	43.35
Balance as at March 31, 2022	0.03	-	0.03

Note 5.1 : Intangible assets - under development : Ageing

Particulars	As at March 31, 2023			
	To be completed in			Total
	Less than 1 years	1-2 years	2-3 years	
Projects in progress-website development	17.82	-	-	17.82
Total	17.82	-	-	17.82



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 6: Deferred tax assets [net]

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Deferred tax asset arising on account of		
Difference between accounting base and tax base of property, plant and equipment	10.25	0.60
Provision for employee benefits	1.33	1.66
Losses carried forward	307.86	230.16
Deferred lease rent	1.04	1.10
Net deferred tax assets	320.48	233.52

(a) Movements in deferred tax assets and deferred tax liabilities from April 1, 2022 to March 31, 2023

Particulars	Opening balance as on April 01, 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance as on March 31, 2023
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	0.60	9.65	-	-	10.25
Provision for employee benefits	1.66	(1.84)	1.50	-	1.33
Losses carried forward	230.16	77.70	-	-	307.86
Deferred lease rent	1.10	(0.06)	-	-	1.04
Net deferred tax assets	233.52	85.45	1.50	-	320.48

(b) Movements in deferred tax assets and deferred tax liabilities from April 1, 2021 to March 31, 2022

Particulars	Opening balance as on April 01, 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Recognised directly in equity	Closing balance as on March 31, 2022
Deferred tax asset arising on account of					
Difference between accounting base and tax base of property, plant and equipment	1.18	(0.58)	-	-	0.60
Provision for employee benefits	1.87	0.72	(0.93)	-	1.66
Losses carried forward	248.71	(18.55)	-	-	230.16
Deferred lease rent	1.10	0.00	-	-	1.10
Net deferred tax assets	252.86	(18.41)	(0.93)	-	233.52

Note 7: Inventories

Particulars	As at	
	March 31, 2023	March 31, 2022
Stock-in-trade	68.36	24.78
	68.36	24.78



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 8: Trade receivables

Particulars	As at	
	March 31, 2023	March 31, 2022
Unsecured and considered good		
Receivables from related parties		
Others	207.47	48.15
Total	207.47	48.15

Trade receivable schedule for the year ended as on 31st March, 2023 and 31st March 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	0-6	06-12	12-24	24-36	More than 36 Months	
1. Undisputed Trade receivables-Considered good	160.18	41.00	0.20	5.47	-	0.62	207.47
	24.85	21.50	1.18	-	0.62	-	48.15
2. Undisputed Trade Receivables-which have significant increase in credit Risk	-	-	-	-	-	-	-
3. Undisputed Trade Receivables-credit impaired	-	-	-	-	-	-	-
4. Disputed Trade Receivables -Considered good	-	-	-	-	-	-	-
5. Disputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
6. Disputed Trade Receivables-Credit impaired	-	-	-	-	-	-	-
Total	160.18	41.00	0.20	5.47	-	0.62	207.47
Previous Year	24.85	21.50	1.18	-	0.62	-	48.15
Less: Allowance for Credit Loss							
Previous Year							
Total Trade Receivable							207.47
Previous Year							48.15

Note 09: Cash and cash equivalents

Particulars	As at	
	March 31, 2023	March 31, 2022
Balances with banks		
- In current accounts	151.27	75.74
Cash on hand	1.98	2.87
	153.25	78.61

Note 10: Current financial assets - loans

Particulars	As at	
	March 31, 2023	March 31, 2022
Unsecured and considered good		
Security deposits	-	0.63
Total	-	0.63

Note 11: Other current assets

Particulars	As at	
	March 31, 2023	March 31, 2022
Balance with statutory authorities	143.35	95.86
Prepaid expenses	0.54	2.47
Advance to suppliers	82.57	82.71
Others	10.19	16.81
Total	236.65	197.85



Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 12: Equity share capital

(a) Authorised equity share capital

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	Number of shares	Amount
Equity shares of ₹ 10 each		
Balance as at April 01, 2021	10,000.00	1.00
Change during the year	4,90,000.00	49.00
Balance as at April 01, 2022	5,00,000.00	50.00
Change during the year	-	-
Balance as at March 31, 2023	5,00,000.00	50.00

Issued, subscribed and paid-up equity share capital:

Particulars	Number of shares	Amount
Equity shares of ₹ 10 each		
Balance as at April 01, 2021	10,000.00	1.00
Change during the year	-	-
Balance as at March 31, 2022	10,000.00	1.00
Change during the year	2,00,000.00	20.00
Balance as at March 31, 2023	2,10,000.00	21.00

(b) Terms and rights attached to equity shares

The share capital of the Company consists only of fully paid ordinary shares with a nominal (par) value of ₹ 10 per share. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

(c) Share of the company held by holding/ultimate holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 10 each				
PC Jeweller Limited - Holding Company *	9,990.00	4.76%	9,990.00	99.90%
Balram Garg - Nominee PC Jeweller Ltd	10.00	0.00%	10.00	0.10%
	10,000.00	4.76%	10,000.00	100%

* Ceased to be holding company w.e.f 31 March 2023

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of ₹ 10 each				
PC Jeweller Ltd		0%	10,000.00	100%
Gazal Gupta*	2,00,000.00	95.24%	-	0%
	2,00,000.00	95.24%	10,000.00	100%

* 2,00,000 equity shares of ₹ 10/- each allotted to Smt. Gazal Gupta on 10 March 2023 by way of preferential allotment.

(e) The Company has not issued any shares pursuant to contract without payment being received in cash, or allotted as fully paid up by way of bonus shares or bought back any shares during the period of five years immediately preceding the date of balance sheet.

Note 13: Other equity

Retained earnings

Particulars	March 31, 2023	March 31, 2022
Balance at the beginning of the year	(665.33)	(707.52)
Add : profit for the year	(263.89)	39.56
Add : IND-AS 116 Transition adjustments		
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurement of net defined benefit liability	(4.28)	2.63
Balance at the end of the year	(933.50)	(665.33)
Total other equity	(933.50)	(665.33)

Note 14: Non-current financial liabilities - borrowings

Particulars	Interest rate	Maturity date	As at	
			March 31, 2023	March 31, 2022
Unsecured				
Loans from related parties	7.16% p.a.	7 Years	371.19	430.00
Total			371.19	430.00

i) Each tranche of loan taken is repayable within 7 years from date of receipt.

ii) Rate of interest to be fixed on March 31 of every financial year based on prevailing yield of 5 year Government Securities.

iii) Rate of interest has accordingly been revised to 7.16% for the year ended 31st March 2023



Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 15: Non-current provisions

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits obligations (refer note 30)	3.37	1.13
Total	3.37	1.13

Note 16: Trade payables

Particulars	As at	
	March 31, 2023	March 31, 2022
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	934.59	903.43
Total	934.59	903.43

Trade Payable Ageing Schedule for the year ended 31st March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
1. MSME	-	-	-	-	-	-
2. Others	827.75	100.96	0.17	5.71	-	934.59
3. Disputed dues-MSME	-	-	-	-	-	-
4. Disputed dues-others	-	-	-	-	-	-
Total	827.75	100.96	0.17	5.71	-	934.59

Trade Payable Ageing Schedule for the year ended 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
1. MSME	-	-	-	-	-	-
2. Others	803.50	99.93	-	-	-	903.43
3. Disputed dues-MSME	-	-	-	-	-	-
4. Disputed dues-others	-	-	-	-	-	-
Total	803.50	99.93	-	-	-	903.43

Note 17: Other current financial liabilities

Particulars	As at	
	March 31, 2023	March 31, 2022
Valued at amortised cost		
Employee related payables	5.87	0.69
Interest accrued and due on borrowings	60.79	35.74
Others	11.78	7.90
Total	78.44	44.33

Note 18: Other current liabilities

Particulars	As at	
	March 31, 2023	March 31, 2022
Statutory dues payable	5.72	2.32
Advances received from customers	671.68	10.34
Total	677.40	12.66

Note 19: Current provisions

Particulars	As at	
	March 31, 2023	March 31, 2022
Provision for employee benefits obligations (refer note 30)	1.73	0.15
Total	1.73	0.15



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 20: Revenue from operations

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Sale of products	13,967.85	12,621.94
Sale of services	2.08	0.06
	13,969.93	12,622.00

Note 21: Other income

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Interest income on		
Other Income Misc Receipt	0.21	-
refund of income tax	0.33	3.15
	0.54	3.15

Note 22: Purchase of stock-in-trade

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Purchases of stock-in-trade	13,886.89	12,343.09
	13,886.89	12,343.09

Note 23: Changes in inventories of stock-in-trade

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Opening stock		
Stock-in-trade	24.78	40.11
	24.78	40.11
Closing stock		
Stock-in-trade	68.36	24.78
	68.36	24.78
	(43.58)	15.33

Note 24: Employee benefits expense

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Salaries and wages	71.03	26.60
Contribution to provident and other funds	0.10	0.05
Staff welfare expenses	0.43	3.77
	71.56	30.42



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 25: Finance Cost

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Interest Expense	27.83	21.24
Other finance costs	0.25	0.48
	28.08	21.72

Note 26: Depreciation and amortisation expense

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment	49.11	40.46
Amortisation of right-of-use assets	1.35	1.35
	50.46	41.81

Note 27: Other expenses

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Advertisement expenses	92.46	23.86
Rent	-	3.80
Discount	0.02	0.75
Marketing expenses	112.64	46.33
Communication	0.76	0.69
Vehicle running & maintenance	5.32	0.59
Office repairs and maintenance	4.11	-
Website development & maintenance	53.26	15.75
Filing Fees	0.02	-
Rates & taxes	19.81	-
Insurance	2.25	0.09
Legal and professional (including payment to auditors) (refer note a below)	7.31	5.43
Printing and stationery	0.94	0.27
Postage & Courier Expense	14.71	-
Logistics expenses	-	7.31
Packing expenses	2.87	-
Bank charges	0.13	0.22
Miscellaneous expenses	9.79	9.72
	326.40	114.81
Note		
(a) Payment to auditors		
- As statutory auditors	1.05	1.05
- As tax auditors	0.30	0.30
- For other services	0.15	0.15
Total	1.50	1.50



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 28: Deferred tax

(a) Income-tax expense through the statement of profit and loss

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Current tax:		
Current tax on profits for the year	-	-
Deferred tax:		
In respect of current year origination and reversal of temporary differences	(85.45)	18.41
Adjustments due to changes in tax rates	-	-
Total tax expense	(85.45)	18.41

(c) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
Accounting profit before income-tax	(349.34)	57.97
Applicable Indian statutory income-tax rate	26.00%	26.00%
Computed expected tax expense	(90.83)	15.07
Effect of change in rate of tax	-	-
Effect of non-deductible expenses	5.38	3.34
Income-tax expense reported in the statement of profit and loss	(85.45)	18.41

Note 29: Earnings per share

Particulars	Period ended	Period ended
	March 31, 2023	March 31, 2022
The numerators and denominators used to calculate the basic and diluted EPS are as follows:		
Net profit attributable to shareholders for basic/diluted earnings per share	(268.17)	42.19
Weighted average number of equity shares for basic/diluted earnings per share	21,507.00	10,000.00
Basic earnings per share	(1,246.89)	421.77
Diluted earnings per share	(1,246.89)	421.77



Transforming Retail Private Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023
Note 30: Employee benefits

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	As at	
	March 31, 2023	March 31, 2022
Gratuity	5.10	1.28
	5.10	1.28

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the amount recognised in the balance sheet for the defined benefit plan.

Particulars	As at	
	March 31, 2023	March 31, 2022
Change in the present value of the defined benefit obligation:		
Opening defined benefit obligation	1.29	6.37
Interest cost	0.09	0.45
Current service cost	1.15	0.21
Benefits paid	(3.21)	(2.18)
Actuarial (gains)/loss on obligation	5.78	(3.56)
Closing defined benefit obligation	5.10	1.29
Expense/(income) recognised in the statement of profit and loss:		
Current service cost	1.15	0.21
Interest cost on benefit obligation	0.09	0.45
Net expenses	1.24	0.66
Expense/(income) recognised in the other comprehensive income:		
Net actuarial (gains) in the year	5.78	(3.56)
	5.78	(3.56)
Net expense recognised in total comprehensive income	7.02	(2.90)
Breakup of actuarial gain/loss		
Actuarial (gain)/loss arising from change in demographic assumption		
Actuarial loss arising from change in financial assumption	(0.09)	(0.08)
Actuarial (gain) arising from experience adjustment	5.87	(3.49)
	5.78	(3.57)

Actuarial assumptions used

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.50%	7.00%
Long-term rate of compensation increase	5.00%	5.00%
Average remaining life	23.70	32.50

Demographic assumptions used

Particulars	March 31, 2023	March 31, 2022
Mortality table	IAIM(2012-14)	IAIM(2012-14)
Retirement age	60 years	60 years
Average remaining life	23.70	32.50
Withdrawal rates for all ages	10% per annum	10% per annum



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the discount rate, the salary growth rate and the average life expectancy. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability at March 31, 2023

Particulars	As at			
	March 31, 2023		March 31, 2022	
Assumption	Discount rate			
Sensitivity level	+ 1%	- 1%	+ 1%	- 1%
Impact on defined benefit obligation [₹]	(0.22)	0.25	(0.09)	0.11
Assumption	Salary growth rate			
Sensitivity level	+ 1%	- 1%	+ 1%	- 1%
Impact on defined benefit obligation [₹]	0.26	(0.23)	0.11	(0.10)
Assumption	Average life expectancy			
Sensitivity level	+ 1%	- 1%	+ 1%	- 1%
Impact on defined benefit obligation [₹]	Negligible		Negligible	

The present value of the defined benefit obligation calculated with the same method (project unit credit) as the defined benefit obligation recognised in the balance sheet. The sensitivity analyses are based on a change in one assumption while not changing all other assumptions. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Based on historical data, the Company expects contributions of ₹ 1.59 (₹ in lakhs) in the next 12 months.

Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the Government. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 0.79 (₹ in lakhs) (March 31, 2022 ₹ 0.24) (₹ in lakhs)



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 31: Related party transactions

(Amount in ₹ Lakhs unless otherwise stated)

In accordance with the requirement of Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures" name of the related party, related party relationship, transactions and outstanding balances including commitments where control exist and with whom transactions have taken place during the reported period are as follows:

A List of related parties

Relationship	Name of the related party
Holding company	PC Jeweller Limited *
Key management personnel (KMP)	Mr. Balram Garg **
Other entities	Luxury Products Trendsetter Private Limited *** PC Universal Private Limited ***

* Ceased to be holding company w.e.f 31st March 2023

** Ceased to be Key management personnel (KMP) by the end of the day of 31 March 2023

*** Ceased to be other entity w.e.f 31 March 2023

B Transactions with related parties:

Details of transaction between the company and its related parties are disclosed below:

	Holding company		Other entities	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(i) Transactions during the year				
Purchase of goods (net)				
PC Jeweller Limited	3,094.04	2,052.46	-	-
	3,094.04	2,052.46		
Purchase of fixed assets (intangible)				
Luxury Products Trendsetter Private Limited	-	-	45.00	-
	-	-	45.00	-
Sales of goods (net)				
PC Jeweller Limited	3,864.84	7,454.35	-	-
	3,864.84	7,454.35	-	-
Expenses incurred on behalf of company by				
PC Jeweller Limited	2.19	3.09	-	-
	2.19	3.09	-	-
Loan repaid to				
PC Universal Private Limited	-	-	58.81	-
	-	-	58.81	-
Loan received				
PC Universal Private Limited	-	-	-	100.00
	-	-	-	100.00
Interest Paid				
PC Universal Private Limited	-	-	27.83	21.24
	-	-	27.83	21.24
Expenses incurred on behalf of				
PC Jeweller Limited	739.81	2,206.67	-	-
	739.81	2,206.67	-	-
Payment received on behalf of				
PC Jeweller Limited	1,478.93	1,922.78	-	-
	1,478.93	1,922.78	-	-
(ii) Year ended balances:				
Trade payable				
PC Jeweller Limited	616.04	801.99	-	-
	616.04	801.99	-	-
Loan Payable				
PC Universal Private Limited	-	-	431.98	465.74
	-	-	431.98	465.74
Amount receivable				
Luxury Products Trendsetter Private Limited	-	-	37.22	45.32
	-	-	37.22	45.32
Share capital				
PC Jeweller Limited	1.00	1.00	-	-
	1.00	1.00	-	-



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Note 32: Financial risk management

i) Financial instruments by category

Particulars	March 31, 2023		March 31, 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial assets				
Trade receivables	-	207.47	-	48.15
Security deposits	-	-	-	0.63
Cash and cash equivalents	-	153.25	-	78.61
Total	-	360.72	-	127.39
Financial liabilities				
Borrowings	-	371.19	-	430.00
Trade payables	-	934.59	-	903.43
Other financial liabilities	-	78.44	-	44.33
Total	-	1,384.22	-	1,377.76

(a) The carrying value of trade receivables, securities deposits and Cash and cash equivalents recorded at amortised cost, is considered to be a reasonable approximation of fair value.

(b) The carrying value of borrowings, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

ii) Risk management

The Company's activities expose it to liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

The Company's risk management is carried out by the Company's board of directors. The board of directors also provide written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, market risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, security deposits and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.



Transforming Retail Private Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023**

(Amount in ₹ Lakhs unless otherwise stated)

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Trade receivables consist of a considerable number of customers in various geographical areas. The Company has a very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Company provides for expected credit losses on financial assets by assessing individual financial instruments for expectation of any credit losses. Since the assets have very low credit risk, and are for varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

Detail of trade receivables that are past due is given below:

Outstanding for following periods from due date of payment	As at March 31, 2023	As at March 31, 2022
Not-Due	-	24.85
0-30 days past due	160.18	23.30
31-60 days past due	-	-
61-90 days past due	-	-
More than 90 days past due	47.29	-
Total	207.47	48.15

The company's exposure to credit risk for trade receivables is concentrated in Domestic customers.

B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

(Amount in ₹ Lakhs unless otherwise stated)

Contractual maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

March 31, 2023	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings	-	-	-	-	371.19	371.19
Trade payable	-	934.59	-	-	-	934.59
Other financial liabilities	-	78.44	-	-	-	78.44
Lease Liabilities (including interest)	-	1.28	-	-	0.15	1.43
Total	-	1,014.31	-	-	371.34	1,385.65

March 31, 2022	Payable on demand	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Non-derivatives						
Borrowings	-	-	-	-	430.00	430.00
Trade payable	-	903.43	-	-	-	903.43
Other financial liabilities	-	44.33	-	-	-	44.33
Lease Liabilities (including interest)	-	1.55	-	-	1.43	2.98
Total	-	949.31	-	-	431.43	1,380.74

Note 33: Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 34: Ind AS 115 - Revenue from Contracts with Customers

- (a) **Disaggregation of revenue** (Amount in ₹ Lakhs unless otherwise stated)

The Company is engaged only in the business of jewellery and the risks and rewards of the company are concentrated in a single geographical area. Therefore, no disaggregated analysis of revenue is required.

- (b) **Revenue recognised in relation to contract liabilities**

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	Year ended March 31, 2023	Year ended March 31, 2022
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	10.34	1.54
Revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods	-	-
Total	10.34	1.54

- (c) **Assets and liabilities related to contracts with customers**

Description	Year ended March 31, 2023	Year ended March 31, 2022
	Current	Current
Contract liabilities related to sale of goods		
Advance from customers	671.68	10.34

- (d) **Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price**

Description	Year ended March 31, 2023	Year ended March 31, 2022
Contract price	13,969.93	12,622.00
Less: Discount, rebates, credits etc.	-	-
Revenue from operations as per Statement of Profit and Loss	13,969.93	12,622.00

- (e) **Significant changes in contract assets and liabilities**

Description	Year ended March 31, 2023	Year ended March 31, 2022
Advance from customers		
Opening Balance	10.34	1.54
Add: Addition during the year	671.68	10.34
Less: Revenue recognised during the year from opening liability	10.34	1.54
Closing Balance	671.68	10.34

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Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 35: Leases

The Company's lease asset primarily consist of lease for office.

1 Lease liabilities are presented in the statement of financial position as follows:

(Amount in ₹ Lakhs unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
Current	1.28	1.55
Non-current	0.15	1.43
Total	1.43	2.98

2 The recognised right-of-use assets relate to retail outlets and other marketing offices as at March 31, 2023

Particulars	March 31, 2023	March 31, 2022
Balance as at April 01, 2020 (on account of initial application of Ind AS 116)	2.43	3.78
Add: Additions	-	-
Less: Deletions/ Modifications	-	-
Less: Amortisation charged on the right-of-use assets	1.35	1.35
Total	1.08	2.43

3 The following are amounts recognised in profit or loss:

Particulars	March 31, 2023	March 31, 2022
Amortisation expense of right-of-use assets	1.35	1.35
Interest expense on lease liabilities	0.25	0.42
Rent expense	-	3.80
Total	1.60	5.57

4 Lease payments not recognised as a liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. No expense incurred during the year on such leases.

5 At March 31, 2023, the Company was not committed to any short-term leases.

6 Total cash outflow for leases for the year ended March 31, 2023 was Rs Nil.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right-of-use asset	No of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term
Land	-	-	-
Retail outlets and other marketing offices	1	0-1	0-1 years

The company has a right to extend/terminate its leasing arrangements beyond the initial agreement/lock in period. For the assessment of lease term as per Ind AS 116, the management of the Company has considered the extension options and not considered the early termination options wherever available for its property leases in its lease period assessment since the Company is likely to be benefited from a longer lease tenure.



Transforming Retail Private Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2023

Note 36: Micro, Small and Medium Enterprises

(Amount in ₹ Lakhs unless otherwise stated)

Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 for the year ended March 31, 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
(b) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(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 the MSMED Act 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(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 as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Note 37: During the year, the Company has incurred a net loss amounting to ₹ 268.17 (₹ in lakhs) (previous year profit of ₹ 42.19 (₹ in lakhs)) resulting in accumulated losses of ₹ 933.50 (₹ in lakhs) as at March 31, 2023 (previous year ₹ 665.33 (₹ in lakhs)). These events or conditions indicates that a material uncertainty exist which may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

To improve working capital position and improve its operational performance, the Company has taken steps to identify new customers, new techniques and sales channels so as to expand its jewellery retail business. This will help the Company to achieve its projections and mitigate the losses.

As a result of the above decision, the directors are of the view that the Company will continue as a going concern and, therefore, will realise its assets and liabilities and commitments in the normal course of business. The management remain confident about the successful achievement of projected targets and therefore no adjustments have been made to these financial results relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Note 38: Segment information

The company is engaged in the business of trading and marketing of gold jewellery and diamond studded jewellery of various designs/ specifications. There is no business segment to be reported under primary segment information.

The risks and rewards of the company are concentrated in a single geographical area i.e domestic sales. Therefore, there is no geographical segment to be reported under secondary segment information.

Note 39: Reconciliation of liabilities arising from financing activities pursuant to Ind AS -7 Cash flows

The changes of the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Equity share capital	Lease Liabilities	Total
Net liability as at April 01, 2021	1.00	4.37	5.37
Deletion/Modification of leases	-	-	-
Payment of lease liabilities	-	(1.38)	(1.38)
Net liability as at March 31, 2022	1.00	2.99	3.99
Deletion/Modification of leases	-	-	-
Payment of lease liabilities	-	(1.55)	(1.55)
Net liability as at March 31, 2023	1.00	1.44	2.44



Note 40: Corporate Social Responsibilities (CSR)

Corporate Social Responsibilities is not applicable on company

Note 41: Additional Regulatory Information

Additional Regulatory Information pursuant to Clause 61. of Generation instruction for preparation of Balance Sheet as given in Para I of Division II of Schedule III to the Companies Act, 2013, are given hereunder to the extent relevant and other than those given elsewhere in any other notes to the Financial Statements.

a) Ratios

The following are analytical ratios for the year ended 31st March 2023 and 31st March 2022

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance	
Current Ratio	Current Assets	Current Liabilities	0.39	0.36	8%	
Debt-Equity Ratio	Total Debt	Share holder Equity	(0.41)	(0.65)	37%	Note A below
Debt Service Ratio	Earning available for debt service	Debt Service	(6.67)	4.83	-238%	Note B below
Return on Equity (ROE)	Net profit after taxes	Average Shareholder's Equity	(0.33)	(0.06)	-450%	Note B below
Inventory Turnover Ratio	Cost of good sold	Average inventory	297.26	380.95	-22%	
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	109.30	273.52	-60%	Note C below
Trade Payable Turnover Ratio	Net Purchase	Average Trade Payables	15.11	13.73	10%	
Net Capital Turnover Ratio	Revenue	Working Capital	-1359%	-2062%	703%	Note D below
Net Profit Ratio	Net profit	Revenue	-2%	0%	-2%	
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed	-60%	-34%	-26%	Note B below
Return on Investment (ROI)						
(a) Quoted	Income generated from investments	Time weighted average investments	-	-	-	
(b) Unquoted	Income generated from investments	Time weighted average investments	-	-	-	

(A) Decrease in borrowings has in improvement of the ratio.

(B) Increase in purchase and expenses has resulted in decling of the ratio.

(C) Increase in trade receivables in the current financial year has resulted in decling of the ratio

(D) Increase in revenue in the current financial year

b) The company does not have any Benami Property, where any proceeding has been initiated or pending against the Company for holding any Benami Property.

c) The company has not revalued any of its Property, Plant and Equipment (including right-of-use Assets) during the year.

d) The company is not declared as wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

e) There are no transactions with the companies struck off under section 248 of the Companies Act, 2013.

f) The company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies(ROC) beyond the statutory period. There were no delays in compliance related to creation/modification/satisfaction of charges beyond the statutory period.

g) The company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.

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

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

j) The Company does not have any transaction which are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

l) The Company has not granted loans or advances in the nature of loans that are repayable on demand and are without any specific terms or period of repayment.

m) Figures of current year and previous year have been rounded off in the multiple of lakhs.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For Sohil Agarwal & Associates
Chartered Accountants.Sohil Agarwal
Proprietor
M. No.: 536583
Place : New Delhi
Date : 27.05.2023

For and on behalf of the Board of Directors

Gazal Gupta

Gazal Gupta

Director

DIN-00033985

Nitin Gupta

Nitin Gupta

Director

DIN-00078813