Shopsense Retail Technologies Private Limited

Financial Statements

2019-20

Independent Auditors' Report

To the Members of SHOPSENSE RETAIL TECHNOLOGIES PRIVATE LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Shopsense Retail Technologies Private Limited**

("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,

("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 , its Loss including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SA") 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2019 and the transition date opening Balance Sheet as at April 1, 2018 included in these financial statements, are based on the statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by respective predecessor auditors, whose reports for the year ended March 31, 2018 and March 31, 2019 dated September 03, 2018 and September 30, 2019 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income , the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
   d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act ;
   e) On the basis of written representations received from the directors as on March 31 , 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31 , 2020, 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting with reference to these financial statements;
   g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid/provided by the company to its directors in accordance with the provisions of section 197 and Schedule V to the Act.
   h) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 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 on 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.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration no**.** 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749
UDIN : 20102749AAAAKB1098

Place: Mumbai
Date : April 20, 2020

"ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF SHOPSENSE RETAIL TECHNOLOGIES PRIVATE LIMITED

(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)

i) In respect of its fixed assets :

   a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

   b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

   c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the order are not applicable to the company.

ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company.

iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

iv) Company not directly or indirectly advanced loan to the persons covered under Section 185 of the Act or given guarantees or securities in connection with the loan taken by such persons. The company has complied with the provisions of section 186 of the Act in respect of loans provided to parties covered under section 186. Further company has not made any investments or given any guarantee or security in connection with the loan to any parties covered under section 186 of the Act.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

vii) In respect of Statutory dues :

   a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax and any other statutory dues have generally been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2020 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 of income tax, goods and service tax , duty of customs, duty of excise, cess on account of any dispute, which have not +been deposited.

viii) In our Opinion and according to the information and explanations provided by the management, the company has not defaulted in repayment of loan from financial institution. Further, no amounts were borrowed by the company in the form of debentures.

ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purpose for which they are raised.

x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi) According to the information and explanations provided by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.

xii) In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

xiii) In our opinion and according to the information and explanations given to us, section 177 of the Act is not applicable to the Company. Further, in respect of related party transactions, Company is in compliance with the section 188 of the Act and details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv) According to the information and explanations given by the management, the company has complied with provisions of section 42 of the Act in respect of preferential allotment of equity shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. The company does not have any debentures.

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration no**.** 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749
UDIN : 20102749AAAAKB1098

Place: Mumbai
Date : April 20, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF SHOPSENSE RETAIL TECHNOLOGIES PRIVATE LIMITED

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Shopsense Retail Technologies Private Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting With Reference To These Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 With Reference To These Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements 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, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration no**.** 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749
UDIN : 20102749AAAAKB1098

Place: Mumbai
Date : April 20, 2020

Balance Sheet as at 31st March, 2020

Amount in Rs.

Particulars	Notes	31st March, 2020		31st March, 2019		31st March, 2018	
ASSETS							
NON-CURRENT ASSETS							
Property, Plant and Equipment	**1**	**2,954,618**		2,535,517		6,115,958	
Intangible Assets	**1**	**2,899,415**		3,843,470		1,331,647	
Intangible Assets under Development	**1**	**409,726,342**		-		-	
Total Propety Plant & Equipment			**415,580,375**		6,378,987		7,447,605
Financial Assets							
Others	**2**	**4,130,000**		8,070,000		2,768,691	
Deferred Tax Assets (net)	**3**	**5,038,497**		-		126,805,971	
Other Non Current Assets	**4**	**7,472,652**		6,434,554		1,377,083	
Total Non-Current Assets			**16,641,150**		14,504,554		130,951,745
CURRENT ASSETS							
Financial Assets							
Trade Receivables	**5**	**3,657,016**		1,350,337		221,572	
Cash and Cash Equivalents	**6**	**45,430,277**		14,354,329		517,915,701	
Investments	**7**	**-**		30,689,043		-	
Others	**8**	**25,606,060**		12,420,164		13,032,622	
Other Current Assets	**9**	**70,407,549**		42,744,985		24,085,817	
Total Current Assets			**145,100,902**		101,558,858		555,255,713
Total Assets			**577,322,427**		122,442,399		693,655,063
EQUITY AND LIABILITIES							
EQUITY							
Equity Share Capital	**10**	**17,374,075**		4,041,321		4,041,321	
Other Equity	**11**	**499,826,537**		48,681,317		652,828,845	
Total Equity			**517,200,612**		52,722,638		656,870,166
LIABILITIES							
Non-Current Liabilities							
Provisions	**12**	**9,858,815**		3,919,450		5,074,881	
Total Non-Current Liabilities			**9,858,815**		3,919,450		5,074,881

Balance Sheet as at 31st March, 2020

Amount in Rs.

Particulars	Notes	31st March, 2020		31st March, 2019		31st March, 2018	
Current Liabilities							
Financial Liabilities							
Trade Payables due to	13						
-Micro and Small Enterprise		849,664		554,439		-	
-Other than Micro and Small Enterprise		24,668,601		46,679,878		17,521,551	
Other Financial Liabilities	14	11,018,382		8,617,547		7,341,905	
Other Current Liabilities	15	12,352,281		8,412,700		6,846,559	
Provisions	16	1,374,072		1,535,747		-	
Total Current Liabilities			50,263,000		65,800,311		31,710,016
Total Liabilities			60,121,815		69,719,761		36,784,897
Total Equity and Liabilities			577,322,427		122,442,399		693,655,063
Significant Accounting Policies							
See accompanying Notes to the Financial Statements	1 to 32						

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm registration no: 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Dated : 20th April 2020

For and on behalf of the Board
Shopsense Retail Technologies Private Limited

Sreeraman Mohan Girija
Director
DIN - 06590263

Farooq Adam Mukadam
Director
DIN - 03553678

Harsh Deepak Shah
Director
DIN - 03553671

Statement of Profit and Loss for the year ended 31st March, 2020

Amount in Rs.

Particulars	Notes	2019-20	2018-19
INCOME			
Revenue from Operations	**17**	**59,511,017**	138,954,351
Other Income	**18**	**6,041,487**	26,470,614
Total Income		**65,552,504**	165,424,965
EXPENSES			
Employee Benefits Expense	**19**	**17,272,531**	170,000,493
Finance Costs	**20**	**3,298,283**	-
Depreciation and Amortisation Expense	**1**	**2,102,665**	2,429,576
Other Expenses	**21**	**53,953,819**	535,439,753
Total Expenses		**76,627,297**	707,869,821
Profit / (Loss) before tax		**(11,074,793)**	(542,444,855)
TAX EXPENSES:			
Deferred Tax	**3**	**5,038,497**	(126,805,971)
Profit / (Loss) for the year		**(6,036,296)**	(669,250,826)
OTHER COMPREHENSIVE INCOME			
Profit/(Loss) on defined benefit plan		**(250,634)**	(849,455)
Total Comprehensive Income for the Year		**(6,286,930)**	(670,100,281)
Earnings Per Equity Share Of Face Value Of Re.1 Each			
Basic and Diluted (in ₹)	**23**	**(1.16)**	(165.60)
Significant Accounting Policies			
See accompanying Notes to the Financial Statements	**1 to 32**		

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm registration no: 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Dated : 20th April 2020

For and on behalf of the Board
Shopsense Retail Technologies Private Limited

Sreeraman Mohan Girija
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Harsh Deepak Shah
Director
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Cash Flow Statement for the year ended 31st March, 2020

Amount in Rs.

			2019-20		2018-19
A:	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit / (Loss) Before Tax as per Statement of Profit and Loss		**(6,286,931)**		(543,294,310)
	Adjusted for:				
	Adjustments to reconcile profit before tax to net cash flows				
	Depreciation/Amortization of Intangibles	**2,102,665**		7,085,456	
	Gain on Financial Assets	**2,304,555**		1,953,279	
	Interest Income	**(1,429,212)**		(21,241,099)	
	Employee Compensation Expenses	**-**		29,235,058	
	Finance costs	**3,298,283**		-	
			6,276,291		17,032,694
	Operating Profit before Working Capital Changes		**(10,640)**		(526,261,616)
	Adjusted for:				
	Trade Receivables	**(45,291,735)**		(29,534,250)	
	Trade payables	**(38,833,004)**		32,934,863	
			(84,124,739)		3,400,613
	Cash Generated from / (used in) Operations		**(84,135,379)**		(522,861,003)
	Taxes Paid (Net)		**-**		-
	Net Cash Flow from / (used in) Operating Activities		**(84,135,379)**		(522,861,003)
B:	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, Plant and Equipment and Intangible Assets		**(411,304,053)**		(7,970,029)
	Purchase of Other Investments		**30,689,043**		(30,689,043)
	Sale of Other Investments/ Proceeds from sale of financial assets		**(2,304,555)**		20,942,613
	Interest Income		**1,429,212**		298,486
	Net Cash Flow used in Investing Activities		**(381,490,353)**		(17,417,973)

Cash Flow Statement for the year ended 31st March, 2020

		2019-20	2018-19
C:	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from issuance of equity share capital including premium	**499,999,962**	-
	Proceeds from issuance of preference share capital	**-**	36,717,693
	Proceeds form Borrowing	**188,000,000**	
	Repayment of Borrowing	**(188,000,000)**	
	Interest Paid	**(3,298,283)**	-
	Net Cash Flow from Financing Activities	**496,701,679**	36,717,693
	Net Increase / (Decrease) in Cash and Cash Equivalents	**31,075,947**	(503,561,284)
	Cash and cash equivalents as at 31st March,2019	**14,354,329**	517,915,610
	Cash and cash equivalents as at 31st March,2020	**45,430,276**	14,354,329

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm registration no: 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Dated : 20th April 2020

For and on behalf of the Board
Shopsense Retail Technologies Private Limited

Sreeraman Mohan Girija
Director
DIN - 06590263

Farooq Adam Mukadam
Director
DIN - 03553678

Harsh Deepak Shah
Director
DIN - 03553671

Statement of changes in equity for the year ended March 31, 2020

a. Equity Share Capital

Equity shares of Rs. 1 each issued, subscribed and fully paid

	Numbers	Amount (Rs.)
As at March 31, 2018	4,041,321	4,041,321
Changes in equity share capital	-	-
As at March 31, 2019	4,041,321	4,041,321
Changes in equity share capital	13,332,754	13,332,754
As at March 31, 2020	**17,374,075**	**17,374,075**

b. Other Equity

	Other equity					
Particulars	**Securities premium**	**Employee stock options reserve**	**Retained earnings**	**Other compre-hensive income**	**Preference Share classified as Equity**	**Total equity**
As at March 31, 2018	978,664,744	29,235,058	(364,046,221)	-	12,041,584	655,895,164
Total Comprehansive Income	62,886,431	-	(669,250,823)	(849,455)	-	(607,213,847)
Balance at March 31, 2019	1,041,551,174	29,235,058	(1,033,297,044)	-	12,041,584	48,681,317
Total Comprehansive Income	498,708,792	(29,235,058)	(6,036,296)	(250,634)	-	463,186,803
Converted into Equity	-	-	-	-	(12,041,584)	(12,041,584)
As at March 31, 2020	**1,540,259,966**	**-**	**(1,039,333,340)**	**(1,100,089)**	**-**	**499,826,537**

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm registration no: 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Dated : 20th April 2020

For and on behalf of the Board
Shopsense Retail Technologies Private Limited

Sreeraman Mohan Girija
Director
DIN - 06590263

Farooq Adam Mukadam
Director
DIN - 03553678

Harsh Deepak Shah
Director
DIN - 03553671

Notes to accounts for the year ended 31st March, 2020

A Corporate Information

Shopsense Retail Technologies Pvt Ltd was incorporated on September 27, 2012, registred address 1st Floor, Wework Vijay Diamond, Opp. SBI Branch, Cross Road B, Ajit Nagar, Kondivita, Andheri East, MUMBAI Mumbai City MH 400093.The Company is engaged in providing a platform by developing such technology that enables retailers to become more customer centric in the way they create, package and provide a shopping experience and/or supplements the retailer's current offerings by opening up a new and smart method to deepen its customer engagement and also complements the sales representatives that form the backbone of a service offering and also doubles up as a go-to-system for customers exploring stores.

B Significant accounting policies

B.1 Basis of preparation of financial statements

a Statement of compliance

These are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.For all periods up to and including the year ended March 31,2019, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

b Functional & presentation currency

The financial statements are presented in INR and all values are rounded to the nearest crores, except when otherwise indicated.

c Basis of measurement

There financial statements are prepared on historical cost basis except for some items which are fair valued as per Ind-as requirements. These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

B.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

B.3 Critical Accounting Judgements And Key Sources Of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

B.3.1 Estimates

a. Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management

Notes to accounts for the year ended 31st March, 2020

considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends. The company has adopted prospective effect of Ind-AS.

b. Property Plant And Equipment / Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment / Intangible Assets are depreciated / amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

c. Recoverability Of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment

d. Recognition Of Deferred Tax Assets And Liabilities

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

B.3.2 Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes

B.4 Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash 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 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
- The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Notes to accounts for the year ended 31st March, 2020

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

B.5 Foreign Currency

Functional currencyThe functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions and translationsInitial recognition Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

B.6 Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer.

Revenue from rendering of services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

B.7 Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

B.8 Property, plant and equipment

On transition to Ind-AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April, 2019 measured as per the previous GAAP and use that carrying value as a deemed cost of property, plant and equipment.

Capital work in progress, property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in profit or loss as incurred. The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is

Notes to accounts for the year ended 31st March, 2020

significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Useful lives estimated by the management in years:

• Leasehold land, leasehold improvements and other leased assets over the period of lease	1-5
• Furniture and fixtures	10
• Electrical Installation & equipment	3
• Computer	6
• Vehicles	5

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

B.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Useful lives estimated by the management in years:

• Domain	5

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

B.10 Intangible Assets Under Development

Company has invested substantial amounts in development of new digital platflorms. Cost of manpower, administrative cost, trial transactions, logistics etc. for development and testing these platforms are capitalised. Judgment is required to test whether these are developed to the extend of working in the manner intended by management. The management tested the key performance indicators at the year end to assess and concluded no these platforms to be under development.

B.11 Leases

Ind AS 116, was notified on 30th March 2019 and was applicable from 1st of April 2019. This requires an entity to assess whether a contract or arrangement contains a lease. Ind AS 101, First-time Adoption of Indian Accounting Standards, provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. Accordingly, the Company has opted to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS. Accordingly the company has complied with Ind AS 116 from the period 1 April 2019 and has made the relevant disclosures in this regard.

Notes to accounts for the year ended 31st March, 2020

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the rightof-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

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

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

B.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

B.13 Other income

Other income is comprised primarily of interest income. Interest income is recognized using the effective interest method.

B.14 Provisions & Contingent liability

General

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

B.15 Earnings per equity share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

B.16 Employee benefits

B.16.1 Gratuity & Provident Fund

The Company provides for gratuity, for employees as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Gratuity plan of the company is investing amounts with government establishments and utilise it at the time of requirement

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

Notes to accounts for the year ended 31st March, 2020

B.16.2 Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company presents the entire accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

B.16.3 Share based compensation

The company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

B.16.4 Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The employee stock option plan has been cancelled during the year and the ESOP payment had been settled in cash to all the ESOP holders. Thus, the ESOP has been valued as per the Previously adopted accounting standards.

Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cheque at hand and cash and deposit with bank.

Notes to accounts for the year ended 31st March, 2020

1. **Property, Plant and Equipment, Intangible Assets, Intangible Assets Under Development**

Amount in Rs.

Description	Gross block March 2020				Depreciation/ amortisation				Net block	
	As at 31st March, 2019	Additions	Deductions / Adjustments	**As at 31st March, 2020**	As at 31st March, 2019	For the year	Deductions/Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**	As at 31st March, 2019
PROPERTY, PLANT AND EQUIPMENT										
Own assets:										
Electrical installations & equipment	1,200,022	358,865	-	**1,558,887**	964,025	92,741	-	**1,056,766**	**502,121**	235,997
Computers	4,550,663	1,218,844	-	**5,769,507**	3,125,239	930,940	-	**4,056,179**	**1,713,328**	1,425,424
Furniture and fixtures	1,349,277	-	-	**1,349,277**	475,180	134,928	-	**610,108**	**739,169**	874,097
Leasehold improvements	6,616,360	-	-	**6,616,360**	6,616,360	-	-	**6,616,360**	**-**	-
Total (i)	**13,716,322**	**1,577,709**	**-**	**15,294,031**	**11,180,804**	**1,158,609**	**-**	**12,339,413**	**2,954,618**	**2,535,518**
2. INTANGIBLE ASSETS										
Domain	4,720,278	-	-	**4,720,278**	876,808	944,056	-	**1,820,864**	**2,899,414**	3,843,470
Computer Software-1	519,320	-	-	**519,320**	519,319	-	-	**519,319**	**1**	1
Computer software - 2	293,357	-	-	**293,357**	293,357	-	**293,357**	**-**	**-**	
Technical know-how	1,076,471	-	-	**1,076,471**	1,076,471	-	-	**1,076,471**	**-**	-
Total (ii)	**6,609,426**	**-**	**-**	**6,609,426**	**2,765,955**	**944,056**	**-**	**3,710,011**	**2,899,415**	**3,843,471**
Total (i+ii)	20,325,748	1,577,709	-	**21,903,457**	13,946,759	2,102,665	-	**16,049,424**	**5,854,033**	6,378,989
Previous year	**9,500,030**	**1,462,786**	**105,491**	**10,857,325**	**3,031,088**	**1,167,941**	**1,464**	**4,197,565**	**(2,625,719)**	**6,468,942**
3. INTANGIBLE ASSETS UNDER DEVELOPMENT									**409,726,342**	-

Intangible assets under development includes expenses incurred as under:	**2019-20**
Employee Benefit Expenses (Including Directors Remuneration)	234,324,470
Operating cost	37,358,927
Rent	35,564,903
Distribution cost	38,890,972
Total	**346,139,272**

Notes to accounts for the year ended 31st March, 2020

2. Others Financial Assets -Non Current

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deposits*	4,130,000	8,070,000	2,768,691
Total	4,130,000	8,070,000	2,768,691

*Deposits Includes Brand Deposit and Deposit to NSDL

3. Taxation

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Current Tax	-	-	-
Deferred Tax	5,038,497	-	126,805,971
Total Income Tax expenses recognised in the current year	5,038,497	-	126,805,971

3.1 The income tax expenses for the year can be reconciled to the accounting profit as follows:

Amount in Rs.

	As at 31st March, 2020	As at 1st April, 2018
Profit Before Tax and Exceptional Items	(11,074,793)	(126,805,971)
Applicable Tax Rate	33.384	33.384
Computed Tax Expense	-	-
Tax effect of		
Exempted Income/Expenditure allowed	(669,182)	-414,356
Expenses disallowance	1,012,036	1,581,014
Current Tax Provision	-	-

3.2 The movement on the deferred tax account is as follows:

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
At the start of the year	-	126,805,971	-
Charge/(Credit) to Statement of P&L	5,038,497	(126,805,971)	126,805,971
At the end of the year	5,038,497	-	126,805,971

3.3 Componant of deferred tax asset/liability

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Deferred tax Liability			
Property Plant & Equipment's	-	-	6,027
Deferred tax assets			
Property Plant & Equipment's	291,693	210,823	-
Carried Forward Business Losses	-	297,147,646	124,152,893
Others	2,563,292	1,418,351	1,319,469
Other Timing Difference (Unabsorbed Depreciation)	2,183,512	1,662,342	1,339,636
Reversal of Deferred Tax Asset		(300,439,162)	
Deferred tax asset recognised	5,038,497	-	126,805,971

Company has not recognised deferred tax asset on carried forward losses amounting to Rs. 2,65,364,006 (expiring in FY 2021 to FY 2029).

Notes to accounts for the year ended 31st March, 2020

4. Other Non-Current Assets
(Unsecured and Considered Good)

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Advance income Tax (Net of Provision)	**7,472,652**	6,434,554	1,377,083
Total	**7,472,652**	6,434,554	1,377,083

4.1 Advance income Tax (Net of Provision)

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
At the beginning of the year	**6,434,554**	1,377,083	834,184
Charge during the year	**-**	-	-
Refund received during the year	**(1,475,212)**	(5,052,349)	(3,126,604)
Tax Paid (Net) during the year	**2,513,311**	10,109,819	3,669,503
At the end of the year	**7,472,653**	6,434,554	1,377,083

5. Trade Receivables
(Unsecured and Considered Good)

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Trade receivables	**3,657,016**	1,350,337	221,572
Total	**3,657,016**	1,350,337	221,572

6. Cash and Cash Equivalents

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Cash on Hand	**2,498**	16,496	6,259
Balances with banks	**11,427,779**	10,777,834	517,909,442
Deposit	**34,000,000**	3,560,000	
Cash and Cash Equivalents as per Balance Sheet / Statement of Cash Flows	**45,430,276**	14,354,329	517,915,701

6.1 Cash and Cash Equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

Notes to accounts for the year ended 31st March, 2020

7. Other Financial Assets - Investments

Amount in Rs.

	As at 31st March, 2020 Units		As at 31st March, 2019 Units		As at 1st April, 2018 Units	
Unquoted Mutual Funds(Measured at Fair Value through Profit and Loss Account (FVTPL))						
Aditya Birla Sun Life Liquid Growth	-	-	26,902	7,868,443	-	-
DSP BlackRock Regular Growth	-	-	2,000,000	22,820,600	-	-
		-		30,689,043		-

8. Other Financial Assets - current

Amount in Rs.

	As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018	
Unsecured considered good unless stated otherwise						
Security Deposit	**18,778,240**		3,745,612		3,645,612	
Other Receivables	**7,477,070**		9,014,513		9,366,049	
		26,255,310		12,760,125		13,011,661
Provision for doubtful receivables		**(1,112,101)**		(608,598)		-
Interest Accrued on fixed deposits		**462,852**		268,637		20,961
Total		**25,606,060**		12,420,164		13,032,622

* Others includes recievable from brand

9. Other Current Assets

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Balance with Statutory Authorities	**54,756,593**	29,273,889	15,983,128
Others *	**15,650,956**	13,471,096	8,102,689
At the end of the year	**70,407,549**	42,744,985	24,085,817

* Others includes advances to vendors and employees

Notes to accounts for the year ended 31st March, 2020

10. Share capital

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Authorised Share Capital :			
17,600,000 Equity Shares of Re.1/- each (31 March 2019 :16,200,000; 31 March 2018 : 16,200,000)	**17,600,000**	16,200,000	16,200,000
12,100,000 Preference shares (31 March 2019 : 13,500,000; 31 March 2018 : 13,500,000)	**12,100,000**	13,500,000	13,500,000
Total	**29,700,000**	29,700,000	29,700,000
Issued, Subscribed and Paid-up :			
Equity Shares of Re.1/- each, fully paid up (31 March 2019 : 4,041,321; 31 March 2018 : 4,041,321)	**17,374,075**	4,041,321	4,041,321
Total	**17,374,075**	4,041,321	4,041,32

Notes

a) The details of Shareholders holding more than 5% shares :

Equity shares of Rs.1 each fully paid

Name of the Shareholders	**As at 31st March, 2020**		As at 31st March, 2019		As at 1st April, 2018	
	No. of Shares	**% held**	No. of Shares	% held	No. of Shares	% held
Reliance Industrial Investments and Holding Limited (Holding Company)	**14,945,572**	**86.02%**	-	-	-	-
Harsh Deepak Shah	**809,500**	**4.66%**	1,347,107	33.33%	1,347,000	33.33%
Farooq Adam Mukadam	**809,500**	**4.66%**	1,347,107	33.33%	1,347,000	33.33%
Sreeraman Mohan Girija	**809,500**	**4.66%**	1,347,107	33.33%	1,347,000	33.33%

b) Reconciliation of Shares outstanding at the beginning and at the end of the year

Name of the Shareholders	**As at 31st March, 2020**	As at 31st March, 2019	As at 1st April, 2018
Equity Shares of Re.1/- each, fully paid up	**4,041,321**	4,041,321	4,041,321
Issue of fresh equity share capital	**2,164,502**	-	-
Preference shares converted into equity share capital	**11,168,252**	-	-
Total	**17,374,075**	4,041,321	4,041,321

Notes to accounts for the year ended 31st March, 2020

c) Rights, Preferences and Restrictions attached to shares

The Equity Shareholder is eligible for one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

11. Other Equity

Amount in Rs.

		As at 31st March, 2020		As at 31st March, 2019		As at 1st April, 2018
Instruments classified as equity						
As per Last Year	**12,041,584**		11,684,579		5,906,648	
Issued during the year/(Converted into equity)	**(12,041,584)**		357,005		5,777,931	
As at the end of the year		**-**		12,041,584		11,684,579
Shares (CCPS) of Re.1/- each, fully paid up						
Securities premium reserve:						
As per last Balance Sheet	**1,041,551,174**		978,664,744		277,758,691	
Add: Premium on Issue of Equity Shares	**497,835,460**		62,886,431		700,906,052	
Add: Premium on conversion of Preference Shares to equity shares	**873,332**		-		-	
Closing Balance		**1,540,259,966**		1,041,551,174		978,664,744
Employees stock option outstanding (ESOP)						
Balance as per the last financial statements	**29,235,058**		29,235,058		-	
Less: Paid during the year	**29,235,058**		-		-	
Closing Balance		**-**		29,235,058		-
Retained earnings						
Balance as per the last financial statements	**(1,034,146,499)**		(364,046,221)		(177,619,177)	
Loss for the Year	**(6,036,296)**		(669,250,826)		(186,427,043)	
		(1,040,182,795)		(1,033,297,048)		(364,046,220)
Other Comprehensive income		**(250,634)**		(849,455)		
Money received against share capital		**-**		-		26,525,743
		499,826,537		48,681,313		652,828,845

11.1 Terms of conversion/ redemption of Compulsorily Convertible Preference Shares (CCPS)

The holders of series of preference shares shall be entitled at each holders option exercisable at their sole discretion to require the company to convert all shares held into equity shares prior to expiry of 20 years. Conversion ratio is different in all series. During the year, Company has converted its existing preference share capital into equity share capital.

11.2 Reconciliation of CCPS outstanding at the beginning and at the end of the year

At the beginning of the year	**12,041,584**	11,684,579	5,906,648
Issue of fresh preference capital	**-**	357,005	5,777,931
Converted into equity	**12,041,584**	-	-
At the end of the year	**-**	12,041,584	11,684,579

Notes to accounts for the year ended 31st March, 2020

12. Provisions - Non-Current

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for Employee Benefit	**9,858,815**	3,919,450	5,074,881
Total	**9,858,815**	3,919,450	5,074,881

13. Trade Payables due to

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Micro and Small Enterprises	**849,664**	554,439	
Other than Micro and Small Enterprises	**24,668,601**	46,679,878	17,521,551
Total	**25,518,265**	47,234,317	17,521,551

13.1 The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company is as under:

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Principal amount due and remaining unpaid	**849,664**	554,439	-
Interest due on above and the unpaid interest	**-**	1,178	-

14. Others Financial liabilities-Current

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Security Deposit	**266,906**	266,906	400,150
Others	**10,751,476**	8,350,641	6,941,755
Total	**11,018,382**	8,617,547	7,341,905

* Others includes payable to employees and directors & provision for expenses

15. Other Current Liabilities

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Others*	**12,352,281**	8,412,700	6,846,559
Total	**12,352,281**	8,412,700	6,846,559

*Others Includes statutory dues and advances from customers

16. Provisions - Current

Amount in Rs.

	As at 31st March, 2020	As at 31st March, 2019	As at 1st April, 2018
Provision for Employees benefit	**1,374,072**	1,535,747	-
Total	**1,374,072**	1,535,747	-

Notes to accounts for the year ended 31st March, 2020

17. Revenue from Operations Amount in Rs.

	2019-20	2018-19
Sale of services	**70,223,001**	165,209,429
Gst recovered	**10,711,983**	26,255,078
Total	**59,511,017**	138,954,351

Revenue from contract with customers differ from the revenue as per contracted price due to factors such as taxes recovered, rebate, discounts etc.

18. Other Income Amount in Rs.

	2019-20		2018-19	
From Bank Deposits	**1,308,762**		298,486	
Other Interest Income	**120,450**		-	
		1,429,212		298,486
Profit on sale of Mutual Fund		**3,131,158**		20,942,613
Other Non-Operating income		**1,481,117**		5,229,515
Total		**6,041,487**		26,470,614

Above includes income from assets measured at Amortised cost Rs. 1,429,212 (Previous Year Rs. 298,486) and income from assets measured at Fair value through Profit and Loss Rs. 3,131,158 (Previous Year Rs. 20,942,613) .

19. Employee Benefits Expense

	2019-20	2018-19
Salaries, wages and bonus	**11,567,035**	129,504,242
Contribution to provident funds	**130,995**	1,162,724
Employee stock option scheme	**3,857,880**	29,235,058
Health insurance	**249,229**	-
Gratuity expense	**138,394**	1,456,814
Staff welfare expenses	**1,328,997**	8,641,655
Total	**17,272,531**	170,000,493

19.1 Employee stock options are cancelled during the year and settlement is done through cash payment.

19.2 As per Ind AS 19 "Employee benefits", the disclosures as defined are given below :

	2019-20	2018-19
Defined Contribution Plan		
Contribution to defined contribution plan, recognised as expenses for the year is as under:		
Employer's Contribution to Provident Fund	**694,908**	401,876
Employer's Contribution to Superannuation Fund & Others	**83,267**	43,475
Employer's Contribution to Pension Fund	**1,388,274**	717,068

Notes to accounts for the year ended 31st March, 2020

	2019-20	2018-19
Defined Benefit Plan		Amount in Rs.
Amount to be recognised in balance sheet	**2019-20**	2018-19
Present Value of Funded Obligations	**10,849,220**	4,863,716
Fair Value of Plan Assets	**(990,405)**	(944,266)
Net Liability- Non current	**9,858,815**	3,919,450
Amount to be recognised in Profit & loss		
Particulars	**2019-20**	2018-19
Current service cost	**1,858,129**	1,261,967
Interest on net defined benefit liability/ (assets)	**254,749**	194,847
Total Expense changed to P&L account (Gross)	**2,112,878**	**1,456,814**
Less: Capitalised during the year	**(1,974,484)**	**-**
Total Expense changed to P&L account	**138,394**	1,456,814
Amount Recorded In Other Comprehensive Income		
Actuarial Gain/Loss	**3,826,487**	849,455
Amount recognized in OCI outside profit & loss account (Gross)	**3,826,487**	849,455
Less: Capitalised during the year	**(3,575,853)**	-
Amount recognized in OCI outside profit & loss account	**250,634**	849,455
Reconciliation Of Benefit Obligation & Plan Assets For The Period		
Change in Defined Benefit Obligation	**2019-20**	2018-19
Opening Defined Benefit Obligation	**4,863,716**	2,582,545
Current Service Cost	**1,858,129**	1,261,967
Interest Cost	**353,755**	194,847
Actuarial Losses / (Gain)	**3,773,620**	824,357
Closing Defined Benefit Obligation	**10,849,220**	4,863,716

19.3 Opening Fair Value of Plan Assets Amount in Rs

Change in Fair Value of Assets	**31st March, 2020**	31st March, 2019
	944,266	-
Expected Return on Plan Assets/Interest on plan assets	**99,006**	-
Actuarial Gain / (Losses)	**(52,867)**	(25,098)
Contributions by Employer	**-**	969,364
Closing Fair Value of Plan Assets	**990,405**	944,266
Expected Employer's Contribution Next Year	**-**	1,000,000

Notes to accounts for the year ended 31st March, 2020

Financial Assumptions At The Valuation Date:	**Financial Assumptions At The Valuation Date:**	Financial Assumptions At The Valuation Date:
Discount Rate (p.a.)	**5.95%**	7.45%
Expected Rate of Return on Assets (p.a.)	**0.00%**	0.00%
Salary Escalation Rate (p.a.)	**7.50%**	7.50%

Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	2019-20		2018-19	
Defined benefit obligation on increase in 50 bps	**10,134,765**	**11,412,227**	4,729,656	5,002,386
Impact of increase in 50 bps on DBO	**(6.59%)**	**5.19%**	(2.76%)	2.85%
Defined benefit obligation on decrease in 50 bps	**11,647,336**	**10,267,373**	5,004,405	4,729,878
Impact of decrease in 50 bps on DBO	**7.36%**	**(5.36%)**	289.00%	(275.00%)

20. Finance Costs

Amount in Rs.

	2019-20	**2018-19**
Interest Expenses at amortised cost	**3,298,283**	**-**
	3,298,283	-

21. Other Expenses

Amount in Rs.

	2019-20	2018-19
Marketing Expenses	**4,573,202**	220,697,881
Packing Materials Consumed	**948,693**	19,313,599
Processing Charges	**1,074,265**	5,104,164
Shipment Charges	**18,949,425**	63,541,537
Loss on scrap sale	**2,107,272**	10,978,999
Commission charges	**-**	1,270,984
Business Support Cost	**2,638,672**	7,399,354
Business Promotion expenses	**5,859,080**	85,509,116
Rent	**2,492,778**	9,811,783
Electricity	**70,682**	2,289,274
Web hosting services	**-**	54,455,428
Legal & Professional fees	**1,322,346**	14,757,950
Auditors Remuneration	**400,000**	810,000

Notes to accounts for the year ended 31st March, 2020

	2019-20		2018-19	
Office expenses	**2,540,084**		1,346,124	
Printing & Stationery Expenses	-		1,408,105	
Rates and taxes	**1,482,448**		11,754,869	
Travel and conveyance	**502,655**		7,624,539	
Utility expense	**762,684**		2,038,761	
Provision on diminution in value of investment	-		277,400	
Miscellaneous Expenses	**148**		927,297	
Bank Charges	**191,570**		378,488	
Advances written off	**6,083,867**		4,097,564	
Fixed assets written off	-		6,609,160	
Provision for Doubtful Debts	**489,838**		650,210	
Foreign Exchange Loss (net)	**274,564**		472,615	
Loading & unloading charges	**44,800**		-	
Loss on MF	**826,603**		-	
Recruitment Expenses	**318,143**		1,914,551	
Total		**53,953,819**		**535,439,753**

21.1 Payment to Auditor Amount in Rs

	2019-20		2018-19	
For Statutory audit	**300,000**		800,000	
For Tax Audit	**100,000**		200,000	
Total		**400,000**		**1,000,000**

22 The Company is engaged in business of in providing a platform by developing such technology that enables retailers to become more customer centric in India only and there are no separate business / geographical segments as per Ind AS 108 “Operating Segment”. The Board (the ‘Chief Operating Decision Maker’ as defined in Ind AS 108 (‘Operating Segments’), monitors the operating results of the entity’s business for the purpose of making decisions about resource allocation and performance assessment.

23 Earnings per share (EPS)

	2019-20	2018-19
Basic / Diluted Earnings per Share (Rs.) *		
Net profit/ (loss) after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	**(6,036,296)**	(669,250,826)
Weighted average number of equity shares used as denominator for calculating Basic / Diluted EPS	**5,192,716**	4,041,321
Basic / Diluted Earnings per share (Rs.)	**(1.16)**	(165.60)
Face Value per equity share (Rs.)	**1.00**	1.00

*Diluted EPS is same as basic EPS, being antidilutive

Notes to accounts for the year ended 31st March, 2020

24 Related Parties Disclosures

As per Ind AS 24, the disclosures of transactions with the Related Parties are given below:

(i) List of Related Parties where control exists and also Related Parties with whom transactions have taken place and relationships:

Sr No	Name of the Related Parties	Relationship
1	Reliance Induatrial Investments and Holding Limited*	Holding Company
2	Genesis Colors Limited *	Fellow Subsidiary
	Genesis Luxury Fashion Private Limited *	Fellow Subsidiary
	Reliance Brands Limited *	Fellow Subsidiary
	Reliance GAS Lifestyle India Private Limited*	Fellow Subsidiary
	Nowfloats Technologies Pvt Ltd*	Fellow Subsidiary
	Reliance Jio Infocomm Limited*	Fellow Subsidiary
	Reliance Retail Limited*	Fellow Subsidiary
3	Diesel Fashion India Reliance Private Limited*	Joint Venture of fellow subsidiary
	Brooks Brothers India Private Limited*	Joint Venture of fellow subsidiary
4	Shopsense Lifestyle Private Limited	Associate in which KMP have significant influence
	Shopsense Retail Technologies Pte. Limited	Associate in which KMP have significant influence
	Shopsense Retail Technologies Sdn.Bhd.	Associate in which KMP have significant influence
5	Harsh Deepak Shah	Whole Time Director/Key Managerial Personnel (KMP)
	Farooq Adam Mukadam	Whole Time Director/Key Managerial Personnel (KMP)
	Sreeraman Mohan Girija	Whole Time Director/Key Managerial Personnel (KMP)

* Related party for part of the year

(ii) Transactions during the current year with Related Parties (excluding reimbursements):

Sr No	Nature of Transactions	Holding Company	Joint Venture	Fellow Subsidiaries	Associate in which KMP have significant influence	Key Managerial Personnel (KMP)	Total
1	Share application money paid	499,999,962	-				**499,999,962**
2	Net unsecured loans taken/ (repaid)	-	-	-	-	118,000,000	**118,000,000**
		-	-	-	-	(118,000,000)	**(118,000,000)**
3	Net Loans and advances given/ (returned)	-	-	70,000,000	-		**70,000,000**
		-	-	(70,000,000)	-	-	**(70,000,000)**
4	Revenue from operations	-	2,803,189	14,139,322	-	-	**16,942,511**
5	Other Income	-	-	832,205	-	-	**832,205**
6	Payment to Key Managerial Personnel	-	-	-	-	48,000,000	**48,000,000**
7	Expenses incurred by the company	-	-	-	3,036,784	-	**3,036,784**
Transactions during the previous year with Related Parties (excluding reimbursements):							
8	Expenses incurred by the company	-	-	-	3,047,083	-	**3,047,083**
9	Payment to Key Managerial Personnel	-	-	-	-	21,000,000	**21,000,000**

Notes to accounts for the year ended 31st March, 2020

Sr No	Nature of Transactions	Holding Company	Joint Venture	Fellow Subsidiaries	Associate in which KMP have significant influence	Key Managerial Personnel (KMP)	Total
10	Receivables Written off during the year	-	-	-	6,083,867	-	**6,083,867**
Balance as at 31st March, 2020							
11	Share capital (including premium)	499,999,962	-	-	-	-	**499,999,962**
12	Trade and other receivables	-	-	236,000	-	-	**236,000**
13	Advance to Vendors	-	-	394,385	-	-	**394,385**
14	Trade and other payables	-	27,191	-	-	-	**27,191**
15	Other Current Liabilities	-	-	-	-	1,302,272	**1,302,272**
	-	-	-	-		*965,940*	**965,940**
Balance as at 31st March, 2019							
16	Other Current Liabilities	-	-	-	-	965,940	**965,940**
17	Other Financial Assets	-	-	-	3,047,083	-	**3,047,083**

(iii) Disclosure in respect of major Related Party transactions during the year:

	Particulars	Relationship	2019-20	2018-19
a.	**Remuneration to key managerial personnel**			
	Harsh Deepak Shah	Whole Time Director	16,000,000	7,000,000
	Farooq Adam Mukadam	Whole Time Director	16,000,000	7,000,000
	Sreeraman Mohan Girija	Whole Time Director	16,000,000	7,000,000
b.	**Expenses incurred by the Company**			
	Shopsense Lifestyle Private Limited	Associate in which KMP have significant influence	171,319	617,664
	Shopsense Retail Technologies Pte. Limited	Associate in which KMP have significant influence	1,664,144	2,201,949
	Shopsense Retail Technologies Sdn.Bhd.	Associate in which KMP have significant influence	1,201,321	227,470
c.	**Loan taken and repayment thereof**			
	Farooq Adam Mukadam	Whole Time Director	38,000,000	-
	Harsh Deepak Shah	Whole Time Director	40,000,000	-
	Sreeraman Mohan Girija	Whole Time Director	40,000,000	-
d.	**Loan given by company**			
	Nowfloats Technologies Pvt Ltd	Fellow Subsidiary	70,000,000	-
e.	**Revenue from operation**			
	Reliance Brands Limited	Fellow Subsidiary	10,054,569	-
	Reliance GAS Lifestyle India Private Limited	Fellow Subsidiary	1,019,142	-
	Diesel Fashion India Reliance Private Limited	Joint Venture of fellow subsidiary	2,193,553	-

Notes to accounts for the year ended 31st March, 2020

f.	**Other Income** Nowfloats Technologies Pvt Ltd	Fellow Subsidiary	832,205	
g.	**Advances W/off** Shopsense Lifestyle Private Limited	Associate in which KMP have significant influence	788,983	
	Shopsense Retail Technologies Pte. Limited	Associate in which KMP have significant influence	3,866,093	
	Shopsense Retail Technologies Sdn.Bhd.	Associate in which KMP have significant influence	1,428,791	

25. Capital Management

The company manages its capital by utilizing funding received from holding company. Earlier the investors funds was used for capital requirement.

26. Financial Instrument

Amount in Rs.

Particulars	**As at 31st March,2020**			As at 31st March,2019			As at 1st April,2018		
	Carrying Amount	**Level of Input used**		Carrying Amount	Level of Input used		Carrying Amount	Level of Input used	
		Level 1	**Level 2**		Level 1	Level 2		Level 1	Level 2
Financial Assets									
AT FVTPL									
Investments	-	-	-	30,689,043	-	30,689,043	-	-	-
At amortised cost									
Trade Receivables	3,657,016	-	-	1,350,337	-	-	221,572	-	-
Cash & cash Equivalents	45,430,277	-	-	14,354,329	-	-	517,915,701	-	-
Other Financial assets	25,606,060	-	-	12,420,164	-	-	13,032,622	-	-
Financial Liabilities									
At amortised cost									
Trade payable	25,518,265	-	-	47,234,317	-	-	17,521,551	-	-
Other Financial liabilities	11,018,382	-	-	8,617,547	-	-	7,341,905	-	-

A) Valuation Methodology

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

a) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

B) Financial Risk Management

Different type of risk the Company is exposed are as under:

Interest rate risk

Company meets its short term working capital requirements by way of loan/equity infusion from Holding company as and when required. As such it is not exposed to significant interest rate risk.

Notes to accounts for the year ended 31st March, 2020

Credit risk

Credit risk is the risk that a Broker or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company.

It arises from cash and cash equivalents, deposits with Banks and from credit exposures relating to outstanding receivables.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities..

Liquidity risk

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. Company manages liquidity risk by maintaining adequate reserves and matching maturity profiles of financial assets and financial liabilities.

27 Impact of COVID - 19:

The outbreak of Coronavirus (COVID -19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc.

The company has evaluated impact of COVID -19 on its business operations and based on its review there is no significant impact on its financial statements.

28. Details of loan given, Investments made & guarantee given and Securities provided during the year covered u/s 186(4) of the Companies Act, 2013.

i) Loans Given details given below

ii) Investment Made = Nil (Previous Year = Nil)

iii) Guarantee given and securities provided by company in respect of loan = Nil (Previous Year = Nil)

Name of the Borrower	Rate	Opening Balance	Given	Repaid	Closing Balance	Utilisation of Fund
Nowfloats Technologies Private Limited	12%	-	70,000,000	70,000,000	-	For its business

29. Lease

i) Short term lease payments are included in rent expenses and major portion is capitalised refer note 25 & 3

ii) Lease rental are charged on the basis of agreed terms.

iii) Assets are taken on lease over a period of 1 to 2 years

30 First Time Adoption

These are the Company's first financial statements prepared in accordance with Ind AS. For periods up to March 2020 and including the year ended 31 March 2019, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 ('previous GAAP').

Accordingly, the Company has prepared financial statements for the comparative period as at and for the year ended 31 March 2019 that comply with the Ind AS applicable, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2018, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the balance sheet as at 1 March 2018 and the comparative financial statements as at and for the year ended 31 March 2019.

Notes to accounts for the year ended 31st March, 2020

A Ind AS optional exemptions

i) Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 First-time Adoption of Indian Accounting Standards, permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

ii) Lease

Appendix C to Ind AS, Leases, requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 116, Leases, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101, First-time Adoption of Indian Accounting Standards, provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material. Accordingly, the Company has opted to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS.The company has opted for exemption to Ind AS-17 being a first time adopter further as the lock in period of the lease is one year and hence the exemption can be claimed.

iii) Share based payment transactions

Ind AS 101 permits a ûrst time adopter to elect not to apply principles of Ind AS 102 to liabilities arising from share based payment transactions that were settled before the date of transition. The Company has elected not to apply Ind AS 102- "Share based payment" on stock options/ performance stock units that vested before date of transition. The employee stock option plan has been cancelled during the year and the ESOP payment had been settled in cash to all the ESOP holders. Thus, the ESOP has been valued as per the Previously adopted accounting standards.

B Ind AS mandatory exemptions

i) Estimates

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

Ind AS estimates as at 1 April 2019 are consistent with the estimates as at the same date made in conformity with previous GAAP.

C Reconciliations between previous GAAP and Ind AS

Ind AS 101 First-time Adoption of Indian Accounting Standards, requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS as at the periods specified below.

30.i) Reconciliation of other equity

The Company has prepared a reconciliation of equity as at 31 March 2019 and 1 April 2018 under the previous GAAP with the equity as reported in these financial statements under Ind AS, that reflect the impact of Ind AS on the components of statement of Balance sheet which is presented below:

Reconciliation as at March 31, 2019	**March 31, 2019**	**April 1, 2018**
Equity as per previous GAAP	52,722,638	656,870,166
Adjustments:	-	-
Equity as per IND AS	52,722,638	656,870,166

Notes to accounts for the year ended 31st March, 2020

30.ii) Reconciliation of equity as at April 1, 2018 (date of transition to Ind AS) Amount in Rs.

	Previous GAAP *	Adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	6,115,958	-	6,115,958
Capital work-in-progress	-	-	
Other intangible assets	1,331,647	-	1,331,647
Financial assets			
Others	2,768,691	-	2,768,691
Deferred tax assets (net)	126,805,971		126,805,971
Other non-current assets	1,377,083		1,377,083
	138,399,350		138,399,350
Current assets			
Financial assets	-		
Trade receivables	221,572		221,572
Cash and cash equivalents	517,915,701		517,915,701
Other financial assets	13,032,622		13,032,622
Other current assets	24,085,817		24,085,817
	555,255,713	-	555,255,713
Total Assets	693,655,063	-	693,655,063
Equity and liabilities			
Equity			
Equity share capital	15,725,900	-	15,725,900
Other equity	641,144,266		641,144,266
	656,870,166		656,870,166
Liabilities			
Non-current liabilities			
Financial liabilities			
Other financial liabilities	-		
Provisions	5,074,881		5,074,881
	5,074,881	-	5,074,881
Current liabilities			
Financial liabilities			
Trade payables	17,521,551	-	17,521,551
Other financial liabilities	2,069,440		2,069,440
Other current liabilities	6,846,559		6,846,559
Provisions	5,272,466		5,272,466
	31,710,016	-	31,710,016
Total equity and liabilities	693,655,063	-	693,655,063

* The Previous GAAP figures are not reclassified and company has adopted balances as per audited and signed financials.

Notes to accounts for the year ended 31st March, 2020

30.iii) Reconciliation of equity as at March 31, 2019 Amount in Rs.

	Previous GAAP *	Adjustments	Ind AS
Assets			
Non-current assets			
Property, plant and equipment	2,535,517	-	2,535,517
Other intangible assets	3,843,470	-	3,843,470
Financial assets			
Others	8,070,000	-	8,070,000
Other non-current assets	6,434,554	-	6,434,554
	20,883,541	-	20,883,541
Current assets			
Inventories	-	-	-
Financial assets			
Investments	30,689,043	-	30,689,043
Trade receivables	1,350,337	-	1,350,337
Cash and cash equivalents	14,354,329	-	14,354,329
Other financial assets	12,420,164	-	12,420,164
Other current assets	42,744,985	-	42,744,985
	101,558,858	-	101,558,858
Total Assets	122,442,399	-	122,442,399
Equity and liabilities			
Equity			
Equity share capital	16,082,905	-	16,082,905
Other equity	36,639,733	-	36,639,733
	52,722,638	-	52,722,638
Liabilities			
Non-current liabilities			
Financial liabilities			
Provisions	3,919,450	-	3,919,450
	3,919,450	-	3,919,450
Current liabilities			
Financial liabilities			
Borrowings			
Trade payables	47,234,317	-	47,234,317
Other financial liabilities	2,201,551	-	2,201,551
Other current liabilities	8,412,700	-	8,412,700
Provisions	7,951,743	-	7,951,743
	65,800,311	-	65,800,311
Total equity and liabilities	122,442,399	-	122,442,399

* The Previous GAAP figures are not reclassified and company has adopted balances as per audited and signed financials.

Notes to accounts for the year ended 31st March, 2020

30.iv) Reconciliation of profit or loss for the year ended March 31, 2019 Amount in Rs.

	Previous GAAP *	Adjustments	Ind AS
Income			
Revenue from operations	138,954,351	-	138,954,351
Other income	26,470,614	-	26,470,614
Total income	165,424,965	-	165,424,965
Expenses			
Employee benefit expenses	149,849,948	(849,455)	149,000,493
Depreciation and amortisation expense	2,429,576	-	2,429,576
Other expenses	556,439,752	-	556,439,752
Total expenses	708,719,275	-	707,869,820
Profit before tax	**(543,294,310)**	**-**	**(542,444,855)**
Tax expense:	-		
Current tax	-	-	-
Deferred tax	(126,805,971)	-	(126,805,971)
	(126,805,971)	-	(126,805,971)
Profit for the year	(670,100,281)	-	(669,250,826)
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	-	-	
Re-measurement income/(loss) on defined benefit plan	-	(849,455)	(849,455)
Income tax effect	-	-	-
Other comprehensive income for the year, net of tax	-		(849,455)
Total comprehensive income for the year, net of tax	(670,100,281)	-	(670,100,281)
Earnings per equity share:			
Basic	(0.64)	-	(0.64)
Diluted			

The Previous GAAP figures are not been reclassified and company has adopted the exemption as per Ind-AS 101 presentation requirements for the purposes of this note, the figures are taken from singed and audited financial statements

30.v) Reconciliation of cash flow statement for the year ended March 31, 2019

	Previous GAAP *	Adjustments	Ind AS
Net cash generated from operating activities	(522,861,003)	-	(522,861,003)
Net used in investing activities	(17,417,973)	-	(17,417,973)
Net cash generated from financing activities	36,717,693	-	36,717,693
Net increase/(decrease) in cash and cash equivalents	(503,561,283)	-	(503,561,283)
Cash and cash equivalents at the beginning of the year	517,915,610	-	517,915,610
Effects of exchange (loss) / gain on cash and cash equivalents	-	-	-
Cash and cash equivalents at the end of the year	14,354,327	-	14,354,327

Notes to accounts for the year ended 31st March, 2020

30.vi) Reconciliation of profit for the year ended March 31, 2019

	2019
Net profit as per previous GAAP	**(670,100,281)**
Adjustments on account of:	
Reclassification of net actuarial gain / (loss) on defined benefit obligation to other comprehensive income	(849,455)
Net Profit after Tax as per IND AS	**(669,250,826)**
Other comprehensive income (net of tax)	(849,455)
Total Comprehensive Income under IND AS	**(670,100,281)**

31 The Previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

32 Approval of Financial Statements
The Financial statements were approved for issue by the board of directors on April 20, 2020.

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
Firm registration no: 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Dated : 20th April 2020

For and on behalf of the Board
Shopsense Retail Technologies Private Limited

Sreeraman Mohan Girija
Director
DIN - 06590263

Farooq Adam Mukadam
Director
DIN - 03553678

Harsh Deepak Shah
Director
DIN - 03553671