

Eternalia Media Private Limited

**Financial Statements
2023-24**

INDEPENDENT AUDITORS' REPORT

To The Members of Eternalia Media Private Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Eternalia Media Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 obtained by us is sufficient and appropriate to provide a basis for our audit 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 of Directors 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 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, 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.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 changes in equity of the Company in accordance with accounting principles generally accepted in India Including Ind As specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 financial controls that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph (i)(vi) below on reporting under Rule 11(g).
- c. The Balance Sheet, the 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 Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. The modification relating to the maintenance of accounts and other matters connected therewith, are as stated in the paragraph (b) above and paragraph i(vi) below on reporting under Rule 11(g).
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the company has not paid any remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether

recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11p(e), as provided under (a) and (b) above, contain any material misstatement

- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. The Company migrated to a new accounting software over a period from November 30, 2023 to March 6, 2024.

Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated for all relevant transactions recorded in the software except for the period where earlier software was used.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W/W100018)

Vishal L. Parekh
Partner
Membership No. 113918
UDIN: 24113918BKEQGQ7543

Mumbai, dated: April 19, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Eternalia Media Private Limited ("the Company") as of March 31, 2024 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 with reference to the financial statements based on the internal control with reference to financial statements 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". 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W/W100018)

Vishal L. Parekh
Partner
Membership No. 113918
UDIN: 24113918BKEQGG7543

Mumbai, dated: April 19, 2024

ANNEXURE B" TO THE INDEPENDENT AUDITORS' REPORT

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

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

- (i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i)(b) Some of the items of Property, Plant and Equipment, were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (i)(c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), and hence reporting under clause 3(i)(c) of the Order is not applicable.
- (i)(d) The Company has not revalued any of its Property, Plant and Equipment (Including Right of use assets) and intangible assets during the year.
- (i)(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)(a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanation given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

- (ii)(b) At any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) During the year, the Company has made investments in mutual funds (other parties). The Company has not provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year, and hence reporting under clause (a), (c), (d), (e) and (f) of paragraph 3 of the Order is not applicable.
- The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit during the year nor has any unclaimed deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii)(a) In respect of statutory dues:
- Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues applicable to the Company have been regularly deposited with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (vii)(b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2024.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix)(a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable..
- (ix)(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
- (ix)(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (ix)(f) The Company does not have any investment in subsidiaries, joint ventures, or associate companies and hence, reporting under clause (ix)(f) of the Order is not applicable.
- (x)(a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (x)(b) The Company has made preferential allotment of shares during the year. For such allotment of shares we further report that the requirements of Section 42 and 62 of the Companies Act, 2013 have been complied with and the funds raised have not been utilised by the Company during the year. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.
- (xi)(a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (xi)(b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (xi)(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial

statements etc. as required by the applicable accounting standards. The provisions of Section 177 of the Companies Act, 2013 are not applicable to the Company.

(xiv) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

(xv) During the year, the Company has not entered into any non-cash transactions with any of its directors, or directors of its holding company, subsidiary companies, associate companies or persons connected with such directors and hence provisions of Section 192 of the Act are not applicable to the Company.

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

The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs. 1921.88 lakhs during the financial year covered by our audit and Rs. 2.82 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

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

- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Registration No.117366W/W100018)

Vishal L. Parekh
Partner
Membership No. 113918
UDIN: 24113918BKEQGQ7543

Mumbai, dated: April 19, 2024

Eternalia Media Private Limited
Balance Sheet as at 31st March 2024

Eternalia Media Private Limited | 14

| | Notes | | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--|---------|-----------|--------------------------|---|
| Assets | | | | |
| Non-Current Assets | | | | |
| Property, Plant and Equipment | 1 | 2 36.90 | - | |
| Financial Assets | | | | |
| Other Financial Assets | 2 | 31.25 | - | |
| Other Non Current Assets | 3 | 8.64 | - | |
| Total Non-Current Assets | | | 2 76.79 | - |
| Current Assets | | | | |
| Inventories | 4 | 10 36.63 | - | |
| Financial Assets | | | | |
| Investments | 5 | 98 75.57 | - | |
| Trade Receivables | 6 | 6 41.46 | - | |
| Cash and Cash Equivalents | 7 | 2 43.38 | 10.00 | |
| Other Current Assets | 8 | 6 22.85 | 0.05 | |
| Total Current Assets | | | 124 19.89 | 10.05 |
| Total Assets | | | 126 96.68 | 10.05 |
| EQUITY AND LIABILITIES | | | | |
| Equity | | | | |
| Equity Share Capital | 9 | 14.31 | 10.00 | |
| Other Equity | 10 | 11,463.40 | (2.82) | |
| Total Equity | | | 114 77.71 | 7.18 |
| Liabilities | | | | |
| Non-Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Lease Liabilities | 11 | 1 59.76 | - | |
| Provisions | 12 | 36.81 | - | |
| Total Non-Current Liabilities | | | 1 96.57 | - |
| Current Liabilities | | | | |
| Financial Liabilities | | | | |
| Lease Liabilities | 13 | 52.36 | - | |
| Trade Payables Due to: | 14 | | | |
| - Micro and Small Enterprises | | 5 57.93 | - | |
| - Other than Micro and Small Enterprises | | 1 66.74 | - | |
| Other Financial Liabilities | 15 | 1 84.87 | - | |
| Other Current Liabilities | 16 | 58.57 | 2.87 | |
| Provisions | 17 | 1.93 | - | |
| Total Current Liabilities | | | 10 22.40 | 2.87 |
| Total Liabilities | | | 12 18.97 | 2.87 |
| Total Equity and Liabilities | | | 126 96.68 | 10.05 |
| Material Accounting Policies | | | | |
| See accompanying Notes to the Financial Statements | 1 to 32 | | | |

Eternalia Media Private Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration no: 117366W/W-100018

Alia Bhatt
Director
DIN: 06420731

Vishal L. Parekh
Partner
Membership No. 113918

Vivek Madhav Kamath
Director
DIN: 00237710

Darshan Rasiklal Mehta
Director
DIN: 00103155

Manu Sharma
Director
DIN: 10104130

Mumbai
Dated : 19th April, 2024

Statement of Profit and Loss for the year ended 31st March 2024

| | Notes | 2023-24 | Rs. In Lakh 2022-23 |
|---|---------|-------------------|------------------------|
| INCOME | | | |
| Value of Sales | | 8 32.66 | - |
| Less: Goods and Service Tax Recovered | | 43.62 | - |
| Revenue from Operations | | 7 89.04 | - |
| Other Income | 18 | 4 57.01 | - |
| Total Income | | 12 46.05 | - |
| EXPENSES | | | |
| Purchases of Stock-in-Trade | | 27 31.00 | - |
| Changes in Inventories of Stock-in-Trade | 19 | (10 36.63) | - |
| Employee Benefits Expense | 20 | 280.62 | - |
| Finance Costs | 21 | 6.49 | - |
| Depreciation and Amortisation Expense | 1 | 1 54.59 | - |
| Other Expenses | 22 | 8 69.80 | 2.82 |
| Total Expenses | | 30 05.87 | 2.82 |
| Loss before Tax | | (17 59.82) | (2.82) |
| Tax expenses: | | | |
| Current tax | | - | - |
| Deferred Tax- Charge/(Credit) | | - | - |
| Loss for the year/period | | (17 59.82) | (2.82) |
| Other Comprehensive Income | | | |
| (i) Items that will not be reclassified to Profit or Loss | | 6.89 | - |
| (ii) Income tax relating to items that will not be reclassified to Profit or Loss | | - | - |
| Total Comprehensive Loss for the year/period | | (17 52.93) | (2.82) |
| Earnings per Equity Share of face value of ₹ 10 each | | | |
| Basic (in ₹) | | (14 12.59) | (2.82) |
| Diluted (in ₹) | 24 | (14 12.59) | (2.82) |
| Material Accounting Policies | | | |
| See accompanying Notes to the Financial Statements | 1 to 32 | | |

Eternalia Media Private Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration no: 117366W/W-100018

Alia Bhatt
Director
DIN: 06420731

Vishal L. Parekh
Partner
Membership No. 113918

Vivek Madhav Kamath
Director
DIN: 00237710

Darshan Rasiklal Mehta
Director
DIN: 00103155

Manu Sharma
Director
DIN: 10104130

Mumbai
Dated : 19th April, 2024

A. Equity Share Capital

| | Balance at the beginning of the reporting period i.e. 1st April, 2022 | Changes in equity share capital during the year 2022-23 | Balance at the end of the reporting period i.e. 31st March, 2023 | Changes in equity share capital during the year 2023-24 | Balance at the end of the reporting period i.e. 31st March 2024 |
|--|---|---|--|---|---|
| | - | 10.00 | 10.00 | 4.31 | 14.31 |

Rs. In Lakh

B. Other Equity

| Reserves and Surplus | | | | |
|---|-------------------|--------------------|----------------------------|------------------|
| Particulars | Retained Earnings | Securities premium | Other Comprehensive Income | Total |
| As on 31st March, 2023 | | | | |
| Balance at the beginning of the reporting period i.e. 1st April, 2022 | | | | - |
| Total Comprehensive Profit for the Year | (2.82) | - | - | (2.82) |
| Balance at the end of reporting period 31st March, 2023 | (2.82) | - | - | (2.82) |
| As on 31st March 2024 | | | | |
| Balance at the beginning of the reporting period i.e. 1st April, 2023 | (2.82) | - | - | (2.82) |
| Total Comprehensive Profit for the Year | (17 59.82) | 132 19.15 | 6.89 | 114 66.22 |
| Balance at the end of reporting period 31st March 2024 | (17 62.64) | 132 19.15 | 6.89 | 114 63.40 |

Rs. In Lakh

Eternalia Media Private Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration no: 117366W/W-100018

Alia Bhatt
Director
DIN: 06420731

Vishal L. Parekh
Partner
Membership No. 113918

Vivek Madhav Kamath
Director
DIN: 00237710

Darshan Rasiklal Mehta
Director
DIN: 00103155

Manu Sharma
Director
DIN: 10104130

Mumbai
Dated : 19th April, 2024

Cash Flow Statement for the year ended 31st March 2024

Rs. In Lakh

| | 2023-24 | 2022-23 |
|--|-----------------------|---------------------|
| A: CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax as per Statement of Profit and Loss | (17 59.82) | (2.82) |
| Adjusted for: | | |
| Depreciation and Amortisation Expense | 1 54.59 | - |
| Interest Income | (87.84) | - |
| Finance Costs | 6.49 | - |
| | <u>73.24</u> | <u>-</u> |
| Operating Profit before Working Capital Changes | <u>(16 86.58)</u> | <u>(2.82)</u> |
| Adjusted for: | | |
| Trade and Other Receivables | (12 95.52) | (0.05) |
| Inventories | (10 36.63) | - |
| Trade and Other Payables | 12 22.99 | 2.87 |
| | <u>(11 09.16)</u> | <u>2.82</u> |
| Cash (Used in) Operations | <u>(27 95.74)</u> | <u>-</u> |
| Taxes Paid (Net) | (8.64) | - |
| Net Cash (Used in) Operating Activities | <u>(28 04.38)</u> | <u>-</u> |
| B: CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property, Plant and Equipment and Intangible Assets | (3 91.49) | - |
| Investment in Mutual Funds | (98 75.57) | - |
| Interest Income | 87.84 | - |
| Net Cash (used in) From Investing Activities | <u>(101 79.22)</u> | <u>-</u> |
| C: CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Issue of Share Capital including premium | 132 23.46 | 10.00 |
| Interest Paid | (6.49) | - |
| Net Cash Flow from Financing Activities | <u>132 16.97</u> | <u>10.00</u> |
| Net Increase in Cash and Cash Equivalents | 2 33.38 | 10.00 |
| Opening Balance of Cash and Cash Equivalents | 10.00 | - |
| Closing Balance of Cash and Cash Equivalents (Refer Note 6) | <u><u>2 43.38</u></u> | <u><u>10.00</u></u> |

Eternalia Media Private Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration no: 117366W/W-100018

Alia Bhatt
Director
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Darshan Rasiklal Mehta
Director
DIN: 00103155

Manu Sharma
Director
DIN: 10104130

Mumbai
Dated : 19th April, 2024

Eternalia Media Private Limited**Notes to the Financial Statements for the year ended 31st March 2024****A. Corporate Information**

Eternalia Media Private Limited (“the Company”) (CIN No: U47711MH2022PTC393065), is a public limited company domiciled in India and has registered office in 1A, Gigi House Silver Beach Estate, Juhu, Mumbai City, Mumbai, Maharashtra, India, 400054.

The Company’s immediate holding Company is Reliance Retail Ventures Limited and Ultimate holding company is Reliance Industries Limited. The Company is engaged in organized retail primarily catering to Indian consumers.

B. MATERIAL ACCOUNTING POLICIES**B.1 BASIS OF PREPARATION AND PRESENTATION**

The Financial Statements have been prepared on the historical cost basis except for following assets and liabilities which have been measured at fair values:

- (i) Certain Financial Assets and liabilities,
- (ii) Defined Benefits Plans – Plan Assets and
- (iii) Equity settled Share Based Payments.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the requirements notified under the companies (Indian Accounting Standards) rules 2015 (as amended from time to time) and presentation requirements of division II of schedule III to the companies Act, 2013 as applicable.

The Company’s Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest lakhs (₹00,000), except when otherwise stated.

B.2 FIRST TIME ADOPTION OF IND AS

The Company transitioned into Ind AS on the date of transition i.e. November 3, 2022. Accordingly, the management made an assessment and identified that there are no adjustments to be made in the preceding period Financial statements on account of the applicability of Ind AS 101 First-time Adoption of Indian Accounting Standards.

B.3 SUMMARY OF MATERIAL ACCOUNTING POLICIES**(a) Current and Non-Current Classification**

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is 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.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, Borrowing cost and any cost directly

Eternalia Media Private Limited**Notes to the Financial Statements for the year ended 31st March 2024**

attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Depreciation on Property, Plant and Equipment is provided on straight line method and based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortized over the lower of estimated useful life or lease period.

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

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognized.

(c) Leases

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 right-of-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..

(d) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation / depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange rate variations attributable to the Intangible Assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably.

Gains or losses arising from derecognition 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 and Loss when the asset is derecognised.

The company's intangible assets comprises assets with finite useful lives which are amortised on a straight-line basis over the period of their expected useful lives.

Computer software and reacquisition rights is amortised over a period of 5 years and 4 years respectively on a straight line basis.

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

(e) Revenue Recognition

Revenue from contracts with customers is recognised 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.

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

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 recognized when it becomes unconditional. Generally, the credit period varies between 0-60 days.

Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at bank, short-term deposits, and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Finance Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(h) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads (net of recoverable taxes) including overheads incurred in bringing them to their respective present location and condition.

Costs of inventories are determined on weighted average basis

(i) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

(j) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(k) Contingent Liabilities

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

(l) Employee Benefits

Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is post-employment benefit plan under which the Company pays specified contributions towards Provident Fund and Pension Scheme.

The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service rendered before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit Plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @15days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

Employee Separation Costs

The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

(m) Tax Expenses

The tax expenses for the period comprises current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are enacted at the Balance sheet date.

ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

(n) Foreign Currencies Transactions and Translations

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income or Statement of Profit and Loss are also recognised in Other Comprehensive Income or Statement of Profit and Loss, respectively).

(o) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit and Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

B. Subsequent Measurement

a) Financial Assets Measured at Amortised Cost (AC)

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

c) Financial Assets Measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Eternalia Media Private Limited**Notes to the Financial Statements for the year ended 31st March 2024****d) Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses “Expected Credit Loss”(ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies ‘simplified approach’ which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ii) Financial Liabilities**A. Initial Recognition and Measurement**

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

B. Subsequent Measurement

Financial liabilities are carried at amortized cost using the effective interest method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii) Derivative Financial Instruments

The Company uses various derivative financial instruments such as currency forwards to mitigate the risk of changes in exchange rates. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

iv) Derecognition of Financial Instruments

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial Liability (or a part of a Financial Liability) is derecognized from the Company’s Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

v) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

Eternalia Media Private Limited**Notes to the Financial Statements for the year ended 31st March 2024****C. 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.

a) Depreciation / Amortisation And Useful Lives of Property Plant and Equipment / Intangible Assets

Property, Plant and Equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives 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 lives 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.

b) Impairment of Non-Financial Assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

c) Impairment of Financial Assets

The impairment provisions for Financial Assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

d) Recognition of Deferred Tax Assets

Deferred tax assets 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.

1. Property, Plant and Equipment, Capital Work-in-Progress and Intangible Assets

Rs. In Lakh

| Description | Gross block | | | | Depreciation/ amortisation | | | | Net block | |
|--------------------------------------|-----------------------|----------------|-------------------------|-----------------------|----------------------------|----------------|-------------------------|-----------------------|-----------------------|-----------------------|
| | As at 1st April, 2023 | Additions | Deductions/ Adjustments | As at 31st March 2024 | As at 1st April, 2023 | For the year | Deductions/ Adjustments | As at 31st March 2024 | As at 31st March 2024 | As at 31st March 2023 |
| Property, Plant and Equipment | | | | | | | | | | |
| Own assets: | | | | | | | | | | |
| Plant and machinery | - | 15.39 | - | 15.39 | - | 2.15 | - | 2.15 | 13.24 | - |
| Equipment | - | 11.57 | - | 11.57 | - | 4.08 | - | 4.08 | 7.49 | - |
| Furniture and fixtures | - | 9.52 | - | 9.52 | - | 0.74 | - | 0.74 | 8.78 | - |
| Sub-Total | - | 36.48 | - | 36.48 | - | 6.97 | - | 6.97 | 29.51 | - |
| Right-of-Use Asset: | | | | | | | | | | |
| Leasehold Premises | - | 2 27.87 | - | 2 27.87 | - | 20.48 | - | 20.48 | 2 07.39 | - |
| Sub-Total | - | 2 27.87 | - | 2 27.87 | - | 20.48 | - | 20.48 | 2 07.39 | - |
| Total (i) | - | 2 64.35 | - | 2 64.35 | - | 27.45 | - | 27.45 | 2 36.90 | - |
| Other Intangible assets | | | | | | | | | | |
| Software | - | 1 27.14 | - | 1 27.14 | - | 1 27.14 | - | 1 27.14 | - | - |
| Total (ii) | - | 1 27.14 | - | 1 27.14 | - | 1 27.14 | - | 1 27.14 | - | - |
| Total (i+ii) | - | 3 91.49 | - | 3 91.49 | - | 1 54.59 | - | 1 54.59 | 2 36.90 | - |
| Previous year | | | | - | | | | - | - | - |

| 2. Other Financial Assets | Rs. In Lakh | |
|---------------------------|--------------------------|--------------------------|
| | As at 31st March 2024 | As at 31st March 2023 |
| Security Deposits | 31.25 | |
| Total | 31.25 | - |

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

Eternalia Media Private Limited | 31

3. Other Non-Current Assets

(unsecured and considered good)

Advance Income Tax (Net of Provision) ⁽ⁱ⁾

Total

Rs. In Lakh

| | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| | 8.64 | - |
| | 8.64 | - |

(i) Advance Income Tax (Net of Provision)

At start of year

Charge for the year - Current-Tax

Tax paid (Net) during the year

At end of year

Rs. In Lakh

| | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| | - | - |
| | - | - |
| | 8.64 | - |
| | 8.64 | - |

4. Inventories

(valued at lower of cost and net realisable value)

Stock-in-trade*

Total

Rs. In Lakh

| | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| | 10 36.63 | - |
| | 10 36.63 | - |

* Includes Goods in Transit ₹ NIL lakhs (Previous year ₹ NIL lakhs)

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

| | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--|--------------------------|---|
| 7. Cash and Cash Equivalents | | |
| Balances with banks | 2 43.38 | 10.00 |
| Cash and Cash Equivalents as per Balance Sheet / Statement of Cash Flow | <u>2 43.38</u> | <u>10.00</u> |
| | | |
| 8. Other Current Assets | | |
| <i>(Unsecured and Considered Good)</i> | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
| Balance with Customs, GST and State authorities | 6 12.25 | - |
| Others ⁽ⁱ⁾ | 10.60 | 0.05 |
| Total | <u>6 22.85</u> | <u>0.05</u> |
| (i) Includes Prepaid expenses. | | |

9 Share capital

Rs. In Lakh
As at 31st March 2024 As at 1st March 2023

Authorised Share Capital :

| | | | |
|--|--|--------------|-------|
| <p>2,00,000 Equity Shares of ₹ 10 each (1,00,000)</p> | | 20.00 | 10.00 |
| Total | | 20.00 | 10.00 |

Issued, Subscribed and Paid-up :

| | | | |
|--|--|--------------|-------|
| <p>1,43,135 Equity Shares of ₹ 10 each fully paid up (1,00,000)</p> | | 14.31 | 10.00 |
| Total | | 14.31 | 10.00 |

(i) From September 5, 2023 the Company became subsidiary of Reliance Retail Ventures Limited. Out of the above, 73,035 (previous year NIL) equity shares of Rs. 10 each fully paid-up are held by Reliance Retail Ventures Limited, the holding company, along with its nominee.

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

| Name of the Shareholders | As at 31st March 2024 No. of Shares | % held | As at 31st March 2023 No. of Shares | % held |
|--|---|--------|---|--------|
| Alia Bhatt | 60,163 | 42% | 85,000 | 85% |
| Matrix India Entertainment Consultants Private Limited | - | - | 15,000 | 15% |
| Reliance Retail Ventures Limited* | 73,035 | 51% | - | - |

*beneficial Interest in the shares is held by Reliance Retail Ventures limited includes 2 shares along with nominees

(iii) The details of shareholding of Promoters.:

As at 31st March 2024

| Sr. No. | Class of Equity Shares | Promoters' s Name | No. of shares at the Beginning of the year | Changes During the year | No. of shares at the End of the year | % of total shares | %change during the year |
|---------|---|-----------------------------------|--|-------------------------|--------------------------------------|-------------------|-------------------------|
| 1 | Fully paid-up equity shares of Rs.10 each | Alia Bhatt | 85,000 | (24,837) | 60,163 | 42% | -29% |
| 2 | Fully paid-up equity shares of Rs.10 each | Reliance Retail Ventures Limited* | - | 73,035 | 73,035 | 51% | 100% |
| | TOTAL | | 85,000 | 48,198 | 1,33,198 | | |

*beneficial Interest in the shares is held by Reliance Retail Ventures limited includes 2 shares along with nominees .

As at 31st March 2023

| Sr. No. | Class of Equity Shares | Promoters' s Name | No. of shares at the Beginning of the year | Changes During the year | No. of shares at the End of the year | % of total shares | %change during the year |
|---------|---|---|--|-------------------------|--------------------------------------|-------------------|-------------------------|
| 1 | Fully paid-up equity shares of Rs.10 each | Alia Bhatt | - | 85,000 | 85,000 | 85% | 100% |
| 2 | Fully paid-up equity shares of Rs.10 each | Matrix India Entertainment Consultant Pvt Ltd | - | 15,000 | 15,000 | 15% | 100% |
| | TOTAL | | - | 1,00,000 | 1,00,000 | | - |

(iv) The Reconciliation of the number of shares outstanding is set out below :

| Particulars | As at 31st March 2024 No. of shares | As at 31st March 2023 No. of shares |
|--|---|--|
| Equity shares at the beginning of the year | 1,00,000 | 1,00,000 |
| Add: Equity shares issued during the year | 43,135 | - |
| Equity shares at the end of the year | 1,43,135 | 1,00,000 |

(v) The Company has only one class of equity shares having face value of ₹10 each and the holder of the equity share is entitled to one vote per share. The equity shareholders are entitled to receive dividend as declared from time-to-time in proportion to the number of equity shares held by them. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held.

Notes to the Financial Statements for the year ended 31st March 2024

Rs. In Lakh

10. Other Equity

| | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Retained Earnings | | |
| As per last Balance Sheet | (2.82) | - |
| Add:(Loss) for the year | (17 59.82) | (2.82) |
| | <u>(17 62.64)</u> | <u>(2.82)</u> |
| Other Comprehensive Income (OCI) | | |
| As per last Balance Sheet | - | - |
| Add: Movement in OCI (Net) during the year | 6.89 | - |
| | <u>6.89</u> | <u>-</u> |
| Securities Premium Account | | |
| As per last Balance Sheet | - | - |
| Addition During the year | 132 19.15 | - |
| | <u>132 19.15</u> | <u>-</u> |
| Total | <u><u>114 63.40</u></u> | <u><u>(2.82)</u></u> |

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

| | As at | Rs. In Lakh |
|-----------------------------------|------------------------|--------------------------|
| | 31st March 2024 | As at 31st March 2023 |
| 11. Lease Liabilities | | |
| Lease Liabilities (Refer note 26) | 1 59.76 | - |
| Total | <u><u>1 59.76</u></u> | <u><u>-</u></u> |

| | As at | Rs. In Lakh |
|--|------------------------|--------------------------|
| | 31st March 2024 | As at 31st March 2023 |
| 12. Provisions - Non-Current | | |
| Provision for employee benefits (Refer note 20.1) ⁽ⁱ⁾ | 36.81 | - |
| Total | <u><u>36.81</u></u> | <u><u>-</u></u> |

⁽ⁱ⁾ Provision for employee benefits includes gratuity and leave encashment

| | As at | Rs. In Lakh |
|---------------------------------------|------------------------|--------------------------|
| | 31st March 2024 | As at 31st March 2023 |
| 13. Lease Liabilities- Current | | |
| Lease Liabilities (Refer Note 26) | 52.36 | - |
| | <u><u>52.36</u></u> | <u><u>-</u></u> |

14. Trade Payables Due To:

| | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------------|--------------------------|--------------------------|
| Micro and Small Enterprises | 5 57.93 | - |
| Other than Micro and Small Enterprise | 1 66.74 | - |
| Total | 7 24.67 | - |

Ageing Schedule as on 31st March 2024

Rs. In Lakh

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | > 3 years | Total |
|---------------------------|---------------|---------------------|-----------|-----------|-----------|---------------|
| (i) MSME | 557.93 | | - | - | - | 5 57.93 |
| (ii) Others | 166.74 | | - | - | - | 1 66.74 |
| (iii) Disputed Dues -MSME | - | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - | - |
| TOTAL | 724.67 | - | - | - | - | 724.67 |

Ageing Schedule as on 31st March 2023

Rs. In Lakh

| Particulars | Not due | Less than 1 year | 1-2 years | 2-3 years | > 3 years | Total |
|---------------------------|----------|---------------------|-----------|-----------|-----------|----------|
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | - | - | - | - | - | - |
| (iii) Disputed Dues -MSME | - | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - | - |
| TOTAL | - | - | - | - | - | - |

14.1 There are no overdue amounts to MSME vendors

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

Eternalia Media Private Limited | 38

| | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--|--------------------------|---|
| 15. Other Financial liabilities-Current | | |
| Other Payables ⁽ⁱ⁾ | 1 84.87 | - |
| Total | 1 84.87 | - |

⁽ⁱ⁾ Includes salaries payables

| | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--------------------------------------|--------------------------|---|
| 16. Other Current Liabilities | | |
| Other payables ⁽ⁱ⁾ | 58.57 | 2.87 |
| Total | 58.57 | 2.87 |

⁽ⁱ⁾ Includes advance from customers

| | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--|--------------------------|---|
| 17. Provisions - Current | | |
| Provision for employee benefits (Refer note 21.1) ⁽ⁱ⁾ | 1.93 | - |
| Total | 1.93 | - |

⁽ⁱ⁾ Provision for employee benefits includes gratuity and leave encashment

| | 2023-24 | Rs. In Lakh 2022-23 |
|---|----------------|------------------------|
| 18. Other Income | | |
| Interest | | |
| Bank Deposits | 87.84 | - |
| | 87.84 | - |
| Net Gain on Financial Instruments at Fair Value through profit or loss | | |
| Profit on sale of Investments | 52.37 | - |
| On financial instruments designated at fair value through profit or loss | 3 16.65 | - |
| | 3 69.02 | - |
| Other Miscellaneous Income | 0.15 | - |
| Total | 4 57.01 | - |

| | 2023-24 | 2022-23 |
|---|-------------------|-------------|
| | | Rs. In Lakh |
| 19. Changes in Inventories of Stock-in-Trade | | |
| Inventories (at close) | | |
| Stock-in-trade | 10 36.63 | - |
| Inventories (at commencement) | | |
| Stock-in-trade | - | - |
| (Increase) | (10 36.63) | - |

19.1 Provision for devaluation aggregates Rs. 1,175.00 lakh (previous year NIL)

| | 2023-24 | 2022-23 |
|--|----------------|-------------|
| | | Rs. In Lakh |
| 20. Employee Benefits Expense | | |
| Salaries and wages | 2 61.21 | - |
| Contribution to provident fund and other funds | 13.58 | - |
| Staff welfare expenses | 5.83 | - |
| Total | 2 80.62 | - |

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

Defined Contribution Plan

| | 2023-24 | 2022-23 |
|---|---------|-------------|
| | | Rs. In Lakh |
| Contribution to defined contribution plan, recognised as expenses for the year is as under: | | |
| Employer's contribution to Provident Fund | 2.58 | - |
| Employer's contribution to Pension Scheme | 0.80 | - |

Defined Benefit Plan

I. Reconciliation of opening and closing balances of defined benefit obligation

| | 2023-24 | 2022-23 |
|---|---------|----------------------------|
| | | Rs. In Lakh |
| | | Gratuity (unfunded) |
| Particulars | | |
| Defined benefit obligation at beginning of the year | - | - |
| Acquisition adjustment | - | - |
| Current service cost | 6.84 | - |
| Past service cost | - | - |
| Interest cost | 1.23 | - |
| Actuarial loss | (6.89) | - |
| Benefits paid | - | - |
| Transfer in / (out) | 17.03 | - |
| Defined benefit obligation at year end | 18.21 | - |

II. Reconciliation of fair value of assets and obligations

| | 2023-24 | 2022-23 |
|--|---------|----------------------------|
| | | Rs. In Lakh |
| | | Gratuity (unfunded) |
| Particulars | | |
| Fair value of plan assets | - | - |
| Present value of obligation | 18.21 | - |
| Amount recognised in Balance Sheet (Surplus / Deficit) | 18.21 | - |

III. Expenses recognised during the year

| | 2023-24 | Gratuity (unfunded) | 2022-23 |
|--|----------------|------------------------|---------|
| Current service cost | 6.84 | | - |
| Interest cost | 1.23 | | - |
| Actuarial (gain)/ loss recognised in the year | - | | - |
| Net Cost | 8.07 | | - |
| In Other Comprehensive Income | | | |
| Actuarial Gain | (6.89) | | - |
| Net Income For the period Recognised in OCI | (6.89) | | - |

IV. Actuarial assumptions

| | 2023-24 2012-14 (Ultimate) | Gratuity (unfunded) | 2022-23 2012-14 (Ultimate) |
|--|----------------------------------|------------------------|----------------------------------|
| Mortality Table (IALM) | | | |
| Discount rate (per annum) | 7.23% | | 0.00% |
| Rate of escalation in salary (per annum) | 6.00% | | 0.00% |
| Rate of employee turnover (per annum) | 7.00% | | 0.00% |
| Mortality Rate (% of IALM 12-14) | 100.00% | | 0.00% |

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

V. The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2023-24.

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

VI. Sensitivity Analysis

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount rate, expected salary, increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of Sensitivity analysis is given below

| Particulars | As at 31st March 2024 | | Rs. In Lakh As at 31st March 2023 | |
|---|-----------------------|----------|--------------------------------------|----------|
| | Decrease | Increase | Decrease | Increase |
| Change in discounting rate (delta effect of +/- 0.5%) | 0.78 | (0.73) | - | - |
| Change in rate of salary increase(delta effect of +/- 0.5%) | (0.74) | 0.79 | - | - |
| Change in rate of employee turnover (delta effect of +/- 0.5%) | 0.08 | (0.08) | - | - |
| Change in mortality rate (delta effect of +/- 10%) | - | - | - | - |

Eternalia Media Private Limited
Notes to the Financial Statements for the year ended 31st March 2024

| | 2023-24 | Rs. In Lakh 2022-23 |
|-------------------------------|-------------|------------------------|
| 21. Finance Costs | | |
| Interest on Lease liabilities | 6.49 | - |
| Total | 6.49 | - |

| | 2023-24 | Rs. In Lakh 2022-23 |
|--|----------------|------------------------|
| 22. Other Expenses | | |
| Selling and Distribution Expenses | | |
| Sales promotion and advertisement expenses | 1 89.08 | - |
| Commission | 2 06.25 | - |
| Warehousing and distribution expenses | 2 32.87 | - |
| Total | 6 28.20 | - |

| | | |
|------------------------------------|----------------|-------------|
| Establishment Expenses | | |
| Stores and packing materials | 6.09 | - |
| Building repairs and maintenance | 2.48 | - |
| Other repairs | 12.25 | - |
| Rent including lease rentals | 18.28 | - |
| Insurance | 0.63 | - |
| Rates and taxes | 0.64 | - |
| Travelling and conveyance expenses | 7.59 | - |
| Professional fees | 1 56.34 | - |
| Electricity expenses | 4.27 | - |
| General expenses | 28.03 | 2.57 |
| Total | 2 36.60 | 2.57 |

| | | |
|---------------------------------|----------------|-------------|
| 22.1 Payments to Auditor | | |
| Statutory Audit Fees | 5.00 | 0.25 |
| Total | 8 69.80 | 2.82 |

Notes to the Financial Statements for the year ended 31st March 2024

23. The Company is mainly engaged in 'Organised Retail' primarily catering to Indian consumers in various consumptions baskets. All the activities of the Company revolve around this main business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The chief operational decision maker monitors the operating results of the Company's business for the purpose of making decisions about resource allocation and performance assessment.

24. Earnings per share (EPS)

| | 2023-24 | 2022-23 |
|--|-------------------|----------|
| Face Value per Equity Share (₹) | 10.00 | 10.00 |
| Basic and Diluted Earnings per Share (₹) | (14 12.59) | (2.82) |
| Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ Lakhs) | (17 59.82) | (2.82) |
| Weighted average number of equity shares used as denominator for calculating Basic and Diluted EPS | 1,24,581 | 1,00,000 |

25. Capital Management

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

- Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.
 - Manage financial market risks arising from foreign exchange, interest rates and minimise the impact of market volatility on earnings.
 - Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet.
- This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

Net Gearing Ratio

The net gearing ratio at end of the reporting period was as follows.

| | As at 31st March 2024 | Rs. In Lakh As at 31st March 2023 |
|--|--------------------------|---|
| Gross Debt | - | - |
| Cash and Marketable Securities | 101 18.95 | 10.00 |
| Net Debt (A) | (101 18.95) | (10.00) |
| Total Equity (As per Balance Sheet) (B) | 114 77.71 | 7.18 |
| Net Gearing ratio (A/B) | NA | NA |

26. Financial Instruments

Valuation Methodology

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

- The fair value of investment in Mutual Funds is measured at quoted price or NAV.
- The fair value of Forward Foreign Exchange contracts is determined using forward exchange rates at the balance sheet date.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- Carrying value of assets and liabilities carried at amortised cost which approximates its fair value.

Fair value measurement hierarchy:

| Particulars | As at 31st March 2024 | | | Rs. In Lakh As at 31st March, 2023 | | |
|------------------------------|-----------------------|------------------------|---------|---------------------------------------|------------------------|---------|
| | Carrying Amount | Level of input used in | | Carrying Amount | Level of input used in | |
| | | Level 1 | Level 2 | | Level 1 | Level 2 |
| Financial Assets | | | | | | |
| At Amortised Cost | | | | | | |
| Loans | - | - | - | - | - | - |
| Trade Receivables | 6 41.46 | - | - | - | - | - |
| Cash and Cash Equivalents | 2 43.38 | - | - | 10.00 | - | - |
| Other Financial Assets | 31.25 | - | - | - | - | - |
| Financial Liabilities | | | | | | |
| At Amortised Cost | | | | | | |
| Trade Payables | 7 24.67 | - | - | - | - | - |
| Lease Liability | 2 12.12 | - | - | - | - | - |
| Other Financial Liabilities | 1 84.87 | - | - | - | - | - |

The Carrying value of Assets and Liabilities carried at amortised cost approximates its fair value.

27. 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 Industries Limited (w.e.f 5th September 2023) | } Ultimate Holding Company |
| 2 | Reliance Retail Ventures Limited (w.e.f 5th September 2023) | } Holding Company |
| 3 | Reliance Retail Limited (w.e.f 5th September 2023) | } Fellow Subsidiary |
| 4 | Reliance Brands Limited (w.e.f 5th September 2023) | } Fellow Subsidiary |
| 5 | Eternalia Creative & Merchandising Private Limited | } Entity in which Director of the Company has control |

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

₹ in lakhs

| Sr No | Nature of Transactions | Ultimate Holding Company | Holding Company | Fellow Subsidiaries/Associates | Entity in which Director of the Company has control | Total |
|-------|---|--------------------------|-----------------|--------------------------------|---|-----------|
| 1 | Issue of Equity Shares (including security premium) | - | 132 23.47 | - | - | 132 23.47 |
| | | - | - | - | - | - |
| 2 | Revenue from operations | - | - | 1 36.78 | - | 1 36.78 |
| | | - | - | - | - | - |
| 3 | Purchases / (Purchase Return) | - | - | - | 1 10.45 | 1 10.45 |
| | | - | - | - | - | - |
| 4 | Professional fees | 3.06 | - | 1 18.00 | - | 1 21.06 |
| | | - | - | - | - | - |
| 5 | Trade And Other Receivables | - | - | 31.14 | 4 29.70 | 4 60.84 |
| | | - | - | - | - | - |
| 6 | Trade and other payables | - | - | - | 2 72.16 | 2 72.16 |
| | | - | - | - | - | - |

Figures in *italic* represents previous year's amount.

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

₹ in lakhs

| Particulars | Relationship | 2023-24 | 2022-23 |
|--|---|-----------|---------|
| 1 Issue of Equity Shares (including security premium) | | | |
| Reliance Retail Ventures Limited | Holding Company | 132 23.47 | - |
| | | - | - |
| 2 Revenue from operations | | | |
| Sale / (Sale Return) of Goods | | | |
| Reliance Brands Limited | Fellow Subsidiary | 19.66 | - |
| Reliance Retail Limited | Fellow Subsidiary | 1 17.12 | - |
| 3 Purchases / (Purchase Return) | | | |
| Eternalia Creative & Merchandising Private Limited | Entity in which Director of the Company has control | 1 10.45 | - |
| 4 Professional fees | | | |
| Reliance Brands limited | Fellow Subsidiary | 1 18.00 | - |
| Reliance Industries Limited | Ultimate Holding Company | 3.06 | - |

(iv) Disclosure in respect of related party balances as at end of the year:

₹ in lakhs

| Particulars | Relationship | 2023-24 | 2022-23 |
|--|---|---------|---------|
| 5 Trade And Other Receivables | | | |
| Reliance Retail Limited | Fellow Subsidiary | 9.37 | - |
| Eternalia Creative & Merchandising Private Limited | Entity in which Director of the Company has control | 4 29.70 | - |
| Reliance Brands Limited | Fellow Subsidiary | 21.77 | - |
| 6 Trade and other payables | | | |
| Eternalia Creative & Merchandising Private Limited | Entity in which Director of the Company has control | 2 72.16 | - |

| 28. Ratios | As at 31st March, 2024 | As at 31st March, | % Change |
|--|---------------------------|----------------------|----------|
| i Current Ratio ^^ | 12.15 | 3.50 | 246.75 |
| ii Debt Service Coverage ratio \$\$ | -71.85 | NA | 100.00 |
| iii Inventory Turnover Ratio # | 3.27 | NA | 100.00 |
| iv Trade Payable Turnover Ratio & | 7.08 | NA | 100.00 |
| v Net (Loss)/Profit Ratio i | -223.03% | NA | 100.00 |
| vi Return on Investment * | 9.02% | NA | 100.00 |
| vii Debt-Equity Ratio | NA | NA | NA |
| viii Return on Equity Ratio ^ | -31% | -79% | -61.03 |
| ix Trade Receivables Turnover Ratio \$ | 2.60 | NA | 100.00 |
| x Net Capital Turnover Ratio @ | 0.07 | NA | 100.00 |
| xi Return on Capital Employed " | -31% | -33% | 100.00 |

^^ Current ratio has increased due to increase in overall current assets & current liabilities in current year

\$\$ Debt Service Coverage ratio has decreased due to decrease in EBITA & increase in finance cost on lease during the year

Inventory Turnover Ratio has increased due to increase in inventory balance in current year as previous year entity was operational only for 6 months

& Trade payable turnover has increased due to increase in payable balance in current year as previous year entity was operational only for 6 months

i Net Profit Ratio has decreased due to overall increase in expenses in current year as previous year entity was operational only for 6 months

* Return on Investment has increased due to fixed deposit interest income in the current year

^ Return on Equity ratio has increased due to increase in net worth

\$ Trade Receivables turnover ratio has increased due to increases in receivable balance in current year as previous year entity was operational only for 6 months

@ Net Capital Turnover Ratio has increased due to increase in sales & working capital

" Return on Capital Employed has decreased as average capital employed is increased during the year as previous year entity was operational only for 6 months

Formulae for computation of ratios are as follows:

| Sr. | Particulars | Formula |
|-----|--|--|
| 1 | Current Ratio | $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ |
| 2 | Debt-Equity Ratio | $\frac{\text{Total Debt}}{\text{Total Equity}}$ |
| 3 | Debt Service Coverage Ratio | $\frac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$ |
| 4 | Return on Equity Ratio | $\frac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$ |
| 5 | Inventory Turnover Ratio | $\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Finished Goods, Raw Material, Stock-in-Process and Stock-in-Trade}}$ |
| 6 | Trade Receivables Turnover Ratio | $\frac{\text{Revenue from Operations (including GST)}}{\text{Average Trade Receivables}}$ |
| 7 | Trade Payables Turnover Ratio | $\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$ |
| 8 | Net Capital Turnover Ratio | $\frac{\text{Revenue from Operations}}{\text{Working Capital (Current Assets - Current Liabilities)}}$ |
| 9 | Net Profit Ratio % | $\frac{\text{Profit After Tax}}{\text{Revenue from Operations}}$ |
| 10 | Return on Capital Employed (Excluding Working Capital) | $\frac{\text{Earning before interest and taxes}}{\text{Average Capital Employed}}$ |
| 11 | Return on Investment | $\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents & Other Marketable Securities}}$ |

29. Other Statutory Information

- (i) There are no balances outstanding with struck off companies as per section 248 of the Companies Act, 2013.
- (ii) The Company do not have any Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

30. The Company has acquired assets from Eternalia Creative & Merchandising Private Limited via asset acquisition agreement dated September 5, 2023 for a purchase consideration of Rs. 27,23,46,560/-. Following is the list of assets & liabilities acquired via asset acquisition agreement:

Current Liabilities

| | |
|----------------------------------|--------------------|
| Trade Payables | 2,02,71,655 |
| Other Current Liabilities | 3,60,50,953 |
| Short Term Provisions | 37,69,884 |
| Total Current Liabilities | 6,00,92,492 |
| Total Liabilities | 6,00,92,492 |

ASSETS

Net Fixed Assets

| | |
|-------------------------|--------------------|
| Net Tangible Assets | 36,21,542 |
| Intangible Assets | 1,27,13,756 |
| Total Net Assets | 1,63,35,298 |

Current Assets

| | |
|-----------------------------|---------------------|
| Inventories | 23,44,22,890 |
| Trade Receivables | 2,29,34,200 |
| Short Term Loans & Advances | 6,18,866 |
| Other Current Assets | 5,81,27,798 |
| Total Current Assets | 31,61,03,754 |
| Total Assets | 33,24,39,052 |

Net Asset Value **27,23,46,560**

31. Comparative figures for previous period is not comparable with the current year as the Company was incorporated on 3rd November 2022. Hence, previous year financials were prepared from 3rd November 2022 to 31st March 2023.

32. The Financial statements were approved for issue by the Board of Directors on 19th April, 2024

Eternalia Media Private Limited

As per our Report of even date

For and on behalf of the Board

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration no: 117366W/W-100018

Alia Bhatt
Director
DIN: 06420731

Vishal L. Parekh
Partner
Membership No. 113918

Vivek Madhav Kamath
Director
DIN: 00237710

Darshan Rasiklal Mehta
Director
DIN: 00103155

Manu Sharma
Director
DIN: 10104130

Mumbai
Dated : 19th April, 2024