

Metro Cash and Carry India Private Limited

**Financial Statements
2023-24**

**INDEPENDENT AUDITOR'S REPORT
To The Members of Metro Cash and Carry India Private Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of Metro Cash and Carry India 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 Statement of Cash Flow and the Statement of Changes in Equity for the year ended on that date, and notes to financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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") read with the Companies (Indian Accounting Standards) 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 flow 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's Report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether 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 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 flow and changes in equity of the Company in accordance with the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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, based on our audit 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 not keeping a backup on daily basis of such books of account maintained in electronic mode, in a server physically located in India (refer Note 45 to the financial statements); also refer to paragraph i(vi) below where we have stated that we are unable to comment on the audit trail requirements for reasons stated therein.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flow and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant 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 as on March 31, 2024 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 modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- 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 for the reasons stated therein.
- 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 remuneration paid by the Company 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36
 - 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 note 44 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 note 44 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 11(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. Based on our examination, the Company has used accounting software(s) which are operated by the erstwhile Promoters/Holding company, for maintaining its books of accounts for the year ended March 31, 2024. Accordingly, in the absence of an independent auditor's report covering the audit trail requirements, we are unable to comment whether audit trail feature of the aforesaid software(s) was enabled and operated throughout the year for all relevant transactions recorded in the software(s) or whether there were any instances of the audit trail feature been tampered with.

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
(Firm's Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 24103999BKENDY6475

Mumbai, April 17, 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S 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 Metro Cash and Carry India Private Limited ("the Company") as at 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 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 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 the respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 with reference to financial statements, the Company has, in all material respects, an adequate internal financial controls 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

(Firm's Registration No. 117366W/W-100018)

Varsha A. Fadte

Partner

(Membership No. 103999)

UDIN: 24103999BKENDY6475

Mumbai, April 17, 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S 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) Property Plant and Equipment:

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.

b) The Company has a program of verification of property, plant, and equipment, (capital work-in-progress and right-of-use assets) so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, during the year certain property, plant and equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and capital work-in progress) are held in the name of the Company as at the balance sheet date.

d) The Company has not revalued any of its property, plant, and equipment (including Right of Use assets) and intangible assets during the year.

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) Inventories:

a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations 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. 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 books of account.

b) According to the information and explanations given to us, 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) Loans, Investments etc:

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 3(ii) (a), (c), (d), (e) and (f) is not applicable.

In our opinion, the investments made during the year are prima facie not prejudicial to the Company's interest.

(iv) Section 185 and 186:

The Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of section 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the order is not applicable.

(v) Public Deposits:

The Company has not accepted any deposit or amounts which are deemed to be deposits, 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) Cost Records:

Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the Order is not applicable.

(vii) Statutory Dues:

In respect of statutory dues:

- a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, cess, and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, 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.

- b) Details of dues of Income-tax which have not been deposited as on March 31, 2024 on account of disputes are given below:

| Name of the statute | Nature of dues | Forum where the dispute is pending | Period to which the amount relates | Amount involved (Rs. in Crores) | Amount paid (Rs. in Crores) |
|----------------------------|-----------------------|---|---|--|------------------------------------|
| Income Tax Act, 1961 | Income Tax Penalty | Commissioner of Income Tax (Appeals) | FY 2017-18 | 37.35 | 7.47 |

(viii) Undisclosed Income:

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) Borrowings:

- a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 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 3(ix)(c) of the Order is not applicable.
- 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.
- e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable.

(x) Issue of Securities:

- a) The Company has not raised moneys by way of initial public offer/ further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) Fraud:

- 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.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies 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.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

(xii) Nidhi Company:

The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) Related Parties:

In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, 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.

(xiv) Internal Audit:

- a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 31, 2024 for the period under audit.

(xv) Non-Cash Transactions:

In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) 45-IA:

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

(xvii) Cash Loss:

The Company has incurred cash losses amounting to Rs. 18.13 crores in the financial year covered by our audit and Rs. 25.18 crores in the immediately preceding financial year.

(xviii) Resignation of Statutory Auditors:

There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.

(xix) Ability to pay Liabilities:

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) CSR unspent amount:

The Company is not required to spend any amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Varsha A. Fadte
Partner
(Membership No. 103999)
UDIN: 24103999BKENDY6475

Mumbai, April 17, 2024

Metro Cash and Carry India Private Limited

Balance Sheet as at March 31, 2024

| | Notes | As at March 31, 2024 | (₹ in crore) As at March 31, 2023 |
|--|-------|-------------------------|---|
| Assets | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 5 | 1,369.49 | 1,412.94 |
| Capital Work-in-Progress | 5 | 95.43 | 92.98 |
| Other Intangible Assets | 5 | 352.23 | 3.29 |
| Financial Assets | | | |
| Investments | 6 | 0.04 | 0.04 |
| Other Financial Assets | 7 | 22.98 | 22.23 |
| Deferred Tax Assets (Net) | 8 | 21.59 | - |
| Other Non- Current Assets | 9 | 30.57 | 27.22 |
| Total Non-Current Assets | | 1,892.33 | 1,558.70 |
| Current Assets | | | |
| Inventories | 10 | 824.70 | 529.87 |
| Financial Assets | | | |
| Investments | 11 | 67.57 | - |
| Trade Receivables | 12 | 85.45 | 29.69 |
| Cash and Cash Equivalents | 13 | 65.70 | 152.76 |
| Bank balances other than cash and cash equivalents | 14 | 0.06 | 0.06 |
| Other Financial Assets | 15 | 127.06 | 62.31 |
| Other Current Assets | 16 | 257.21 | 179.79 |
| Total Current Assets | | 1,427.75 | 954.48 |
| Total Assets | | 3,320.08 | 2,513.18 |
| Equity and Liabilities | | | |
| Equity | | | |
| Equity Share Capital | 17 | 1,345.63 | 1,345.63 |
| Other Equity | 18 | (4.12) | (877.50) |
| Total Equity | | 1,341.51 | 468.13 |
| Liabilities | | | |
| Non-Current Liabilities | | | |
| Financial Liabilities | | | |
| Lease Liabilities | 19 | 947.28 | 938.57 |
| Provisions | 20 | 14.02 | 23.88 |
| Total Non-Current Liabilities | | 961.30 | 962.45 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 21 | - | 644.83 |
| Trade Payables | 22 | | |
| Dues to micro enterprises and small enterprises | | 41.46 | 14.06 |
| Dues to creditors other than micro enterprises and small enterprises | | 863.30 | 327.22 |
| Other Financial Liabilities | 23 | 2.10 | 3.50 |
| Other Current Liabilities | 24 | 91.60 | 70.92 |
| Provisions | 25 | 18.81 | 22.07 |
| Total Current Liabilities | | 1,017.27 | 1,082.60 |
| Total Liabilities | | 1,978.57 | 2,045.05 |
| Total Equity and Liabilities | | 3,320.08 | 2,513.18 |
| Material Accounting Policies | 1-4 | | |

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

Metro Cash and Carry India Private Limited

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No.: 117366W/W-100018

Varsha A Fadte

Partner

(Membership No. 103999)

For and on behalf of the Board

Ashwin Khasgiwala

Whole-time Director

DIN: 00006481

Dinesh Taluja

Director

DIN: 08144541

Geeta Fulwadaya

Director

DIN: 03341926

Dipak C. Jain

Director

DIN: 00228513

Krishnan Sudarshan

Director

DIN: 01029826

Sachin Khopde

Chief Financial Officer

Jinal Jain

Company Secretary

Date : April 17, 2024

Metro Cash and Carry India Private Limited

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

| | Notes | Year ended March 31, 2024 | (₹ in crore) Year ended March 31, 2023 |
|--|------------|------------------------------|--|
| Income | | | |
| Value of Sales | | 9,535.57 | 8,494.43 |
| Less: GST Recovered | | (1,091.84) | (948.08) |
| Revenue from Operations | 26 | 8,443.73 | 7,546.35 |
| Other Income | 27 | 18.06 | 43.41 |
| Total Income | | 8,461.79 | 7,589.76 |
| Expenses | | | |
| Purchases of Stock-in-Trade | 28 | 7,980.03 | 6,816.84 |
| Changes in Inventories of Stock-in-Trade | 28A | (294.83) | (21.66) |
| Employee Benefits Expense | 29 | 234.70 | 257.35 |
| Finance Costs | 30 | 95.33 | 126.80 |
| Depreciation and Amortisation Expenses | 31 | 82.49 | 83.71 |
| Other Expenses | 32 | 464.69 | 435.61 |
| Total Expenses | | 8,562.41 | 7,698.65 |
| Loss Before Tax | | (100.62) | (108.89) |
| Tax Expenses: | | | |
| Current Tax | 34 | - | - |
| Deferred Tax | 34 | 21.59 | - |
| Loss for the year | | (79.03) | (108.89) |
| Other Comprehensive Income (OCI) | | | |
| (i) Items that will not be reclassified to Profit and Loss | | 2.46 | (0.57) |
| Total Other Comprehensive (Loss) for the year (Net of Tax) | | 2.46 | (0.57) |
| Total Comprehensive loss for the year | | (76.57) | (109.46) |
| Loss per Equity share of face value of ₹ 10 each | | | |
| Basic and Diluted (in ₹) | 35 | (0.59) | (0.81) |
| Material Accounting Policies | 1-4 | | |

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

Metro Cash and Carry India Private Limited

As per our Report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Varsha A Fadte
Partner
(Membership No. 103999)

For and on behalf of the Board

Ashwin Khasgiwala
Whole-time Director
DIN: 00006481

Dinesh Taluja
Director
DIN: 08144541

Geeta Fulwadaya
Director
DIN: 03341926

Dipak C. Jain
Director
DIN: 00228513

Krishnan Sudarshan
Director
DIN: 01029826

Sachin Khopde
Chief Financial Officer

Jinal Jain
Company Secretary

Date : April 17, 2024

Statement of Changes in Equity for the year ended March 31, 2024

A Equity Share Capital

(₹ in crore)

| Balance as at April 1, 2023 | Changes during the year 2023-24 | Balance as at March 31, 2024 | Balance as at April 1, 2022 | Changes during the year 2022-23 | Balance as at March 31, 2023 |
|-----------------------------|---------------------------------|------------------------------|-----------------------------|---------------------------------|------------------------------|
| 1,345.63 | - | 1,345.63 | 1,345.63 | - | 1,345.63 |

B Other Equity

(₹ in crore)

| Particulars | Instrument classified as Equity Zero Coupon Optionally fully convertible debentures (OFCD) | Reserves & Surplus | | | Other Comprehensive Income | Total |
|-------------------------------------|---|--------------------|-------------------|-----------------|----------------------------|-----------------|
| | | Securities Premium | Retained Earnings | Total Reserves | | |
| Balance as at April 1, 2022 | - | 997.05 | (1,748.06) | (751.01) | (17.03) | (768.04) |
| Less: Loss for the year | - | - | (108.89) | (108.89) | - | (108.89) |
| Add: Other Comprehensive Loss | - | - | - | - | (0.57) | (0.57) |
| Balance as at March 31, 2023 | - | 997.05 | (1,856.95) | (859.90) | (17.60) | (877.50) |
| Balance as at April 1, 2023 | - | 997.05 | (1,856.95) | (859.90) | (17.60) | (877.50) |
| Less: Loss for the year | - | - | (79.03) | (79.03) | - | (79.03) |
| Add: Other Comprehensive Income | - | - | - | - | 2.46 | 2.46 |
| OFCD Issue expense | - | (0.05) | - | (0.05) | - | (0.05) |
| OFCD Allotted during the period | 950.00 | - | - | - | - | 950.00 |
| Balance as at March 31, 2024 | 950.00 | 997.00 | (1,935.98) | (938.98) | (15.14) | (4.12) |

Metro Cash and Carry India Private Limited

As per our Report of even date
For Deloitte Haskins & Sells LLP
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Sachin Khopde
Chief Financial Officer

Jinal Jain
Company Secretary

Date : April 17, 2024

Metro Cash and Carry India Private Limited

Statement of Cash Flow for the year ended March 31, 2024

| | (₹ in crore) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Cash flows from operating activities | | |
| Loss for the year | (100.62) | (108.89) |
| <u>Adjustments for:</u> | | |
| - Depreciation and amortization | 82.49 | 83.71 |
| - Finance costs | 95.33 | 130.03 |
| - Interest income | (3.37) | (1.60) |
| - Loss on sale/ disposal of property, plant and equipment and intangible assets | 0.09 | 0.01 |
| - (Gain) on Financial Assets | (1.58) | - |
| - Provision for Expense, net | 6.20 | (20.02) |
| - Foreign exchange loss, net | 0.56 | 0.11 |
| Operating cash flow before working capital changes | 79.10 | 83.35 |
| <u>Changes in</u> | | |
| - Trade and Other Receivables | (211.91) | (44.81) |
| - Inventories | (298.98) | (19.41) |
| - Trade and Other Payables | 571.23 | (164.02) |
| Cash generated / (used in) from operations | 139.44 | (144.89) |
| Income tax refund / (paid) | 7.44 | (5.60) |
| Net cash generated / (used in) from operations [A] | 146.88 | (150.49) |
| Cash flows from investing activities | | |
| Acquisition of property, plant and equipment and intangible assets | (389.69) | (47.01) |
| Proceeds from sale of property, plant and equipment and intangible assets | 0.44 | 2.28 |
| Purchase of Financial Assets | (1,282.49) | - |
| Redemption of Financial Assets | 1,217.77 | - |
| Interest income | 1.48 | 1.60 |
| Net cash used in investing activities [B] | (452.49) | (43.13) |
| Cash flows from financing activities | | |
| Proceeds from borrowings | - | 600.00 |
| Proceeds from issuance of Optionally Fully Convertible Debentures | 950.00 | - |
| Repayment of borrowings | (644.83) | (393.62) |
| Repayment of lease liabilities | (79.15) | (81.82) |
| Interest paid | (7.47) | (42.58) |
| Net cash generated from financing activities [C] | 218.55 | 81.98 |
| Decrease in cash and cash equivalents [A+B+C] | (87.06) | (111.64) |
| Cash and cash equivalents at the beginning of the year | 152.76 | 264.40 |
| Cash and cash equivalents at the end of the year | 65.70 | 152.76 |
| Components of cash and cash equivalents (refer note 13) | | |
| Cash on hand | 0.95 | 0.91 |
| Balances with banks: | | |
| - in current accounts | 64.75 | 151.85 |
| Cash and cash equivalents at the end of the year | 65.70 | 152.76 |

Material Accounting Policies

1-4

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

Metro Cash and Carry India Private Limited

As per our Report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

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Director
DIN: 01029826

Sachin Khopde
Chief Financial Officer

Jinal Jain
Company Secretary

Date : April 17, 2024

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

1. Corporate Information

Metro Cash and Carry India Private Limited is a Company incorporated in India having its registered office at #26/3, Industrial Suburbs ward, #9, A Block, Subramanya Nagar, Bangalore – 560055, Karnataka. The Company is engaged in the business of wholesale and retail trading operations having distribution centers across various cities in India under the “METRO” brand. The Company’s immediate holding Company is Reliance Retail Ventures Limited and ultimate holding company is Reliance Industries Limited

2. Material Accounting Policies

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 and
- ii) Defined Benefit Plans - Plan Assets.

The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the Rules notified under the relevant provisions of the Companies Act, 2013 as amended from time to time.

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

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 equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when -

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

The Company classifies all other liabilities as non-current.

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

(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 a cost includes purchase price and any cost directly attributable to bringing the assets to its working condition for its intended use.

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 entity 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.

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work-in-Progress.

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognised in the Statement of Profit and Loss. Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows.

| Asset description | Management estimate of useful life | Useful life as per Schedule II |
|--------------------------|---|---|
| Buildings | 15 to 33 years | 30 - 60 years |
| Plant and machinery | 3 to 20 years | 15 years |
| Computers | 3 to 10 years | 3 years |
| Furniture and fixtures | 5 to 15 years | 10 years |
| Office equipment | 3 to 10 years | 5 years |
| Lease hold improvements | Lease term or estimated useful life, whichever is lower | Lease term or estimated useful life, whichever is lower |

Property, plant and equipment costing less than ₹ 15,000 are fully depreciated in the year of purchase except trolleys, which are capitalised under plant and machinery and depreciated over a period of five years being the useful life as estimated by the Management considering the nature of the Company's operations.

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 recognized in the Statement of Profit and Loss when the asset is derecognised.

(c) Leases

The Company, as a lessee, recognizes a right-of-use asset and 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.

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

(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 costs include purchase price and any cost directly attributable to bringing the asset to its working condition for the intended use.

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 entity and the cost can be measured reliably.

Other Indirect Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as project development expenses and disclosed under Intangible Assets Under Development.

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 recognized in the Statement of Profit and Loss when the asset is derecognized.

The Company's Other Intangible Assets include assets with finite and indefinite useful life.

Assets with finite useful life are amortised on a straight-line basis over their expected useful life and assets with indefinite useful lives are not amortised but are tested for impairment annually at the cash generating unit level.

The amortization period and the amortization method for Other Intangible Assets with a finite useful life are reviewed at each reporting date.

(e) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, 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.

(f) 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 a 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.

(g) 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 overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Costs of inventories are determined on weighted average basis. Inventory write downs are accounted considering the nature of inventory, ageing, liquidation plan and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of selling expenses. The comparison of cost and net realisable value is made on an item-by-item basis.

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

The Company assesses at each reporting date 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.

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

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.

(i) 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.

(j) 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.

(k) Employee Benefits Expense

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 a post-employment benefit plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards the Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined Benefit Plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

defined benefit liability/ (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company makes specified contributions for specified employees towards Employee Provident Fund Scheme to a separate trust administered by the Company. The minimum interest payable by the trust to the beneficiaries is being notified by the Government every year. The Company has an obligation to make good the shortfall, if any, between the return on investments of the trust and the notified interest rate

Compensated absences

Entitlements to annual leave and sick leave are recognised when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed (at the time of exiting the Company) subject to a restriction on the maximum number of accumulation leave. The Company determines the liability for such accumulated leaves using Projected Unit Credit Method with actuarial valuations being carried out at each Balance Sheet date.

(l) Tax Expenses

The tax expenses for the period comprises of 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 assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

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.

(m) 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 except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalized as cost of assets.

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

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

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).

(n) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment net of taxes or duties collected on behalf of the government.

Goods and Service tax is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of products

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. 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. The Company is the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred 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.

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

Sale of products – customer loyalty programme (deferred income)

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of the initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Company has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

Contract balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

Interest Income

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

Dividend Income

Dividend Income is recognised when the Company's right to receive the amount has been established.

(o) Financial Instruments

i) Financial Assets

A. Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value Through Profit or 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. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C. 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 a significant increase in credit risk full lifetime ECL is used.

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

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) 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.

iv) 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 adjusted for bonus element in equity share. 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.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of the Company's Financial Statements requires management to make judgements, 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 the next financial years.

(a) Depreciation / Amortisation and Useful Life of Property, Plant and Equipment / Intangible Assets

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

(b) Recoverability of Trade Receivables

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

Metro Cash and Carry India Private Limited
Notes to Financial Statements for year ended March 31, 2024

(c) Provisions

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(d) Impairment of Financial and Non-Financial Assets

The impairment provisions for Financial Assets are based on assumptions about the 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 the Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

In the case of non-financial assets company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.

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

(e) Recognition of Deferred Tax Assets and liabilities

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

(f) Fair Value Measurement

For estimates relating to fair value of financial instruments refer note 38 of financial statements.

(g) Leases

The Company has adopted Ind AS 116 using the prospective approach. The Company evaluated if an arrangement qualifies to be a lease as per requirements of Ind AS 116. Identification of lease requires significant judgement. Large portion of the Company's leases are cancellable by both lessor and lessee or are arrangements which qualify as variable leases and hence are not considered for recognition of Right of Use Asset and lease liabilities. There are few lease arrangements which are cancellable only at the option of the lessee but have not been considered for recognition of Right of Use Assets and lease liabilities on grounds of materiality and exercisability.

Metro Cash and Carry India Private Limited

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

5 Property, Plant and Equipment, Intangible Assets, Capital Work-in-progress (CWIP)

(₹ in crore)

| Description | Gross block | | | | Depreciation/ amortisation | | | | Net block | |
|--|-------------------------|---------------------------|----------------------------|-------------------------|----------------------------|-----------------|----------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2023 | Additions/ Adjustments | Deductions/ Adjustments | As at March 31, 2024 | As at March 31, 2023 | For the year | Deductions/ Adjustments | As at March 31, 2024 | As at March 31, 2024 | As at March 31, 2023 |
| Property, Plant and Equipment | | | | | | | | | | |
| Own Assets: | | | | | | | | | | |
| Freehold Land | 306.41 | - | - | 306.41 | - | - | - | - | 306.41 | 306.41 |
| Buildings | 372.68 | 5.14 | (4.75) | 373.07 | 140.45 | 13.50 | (0.18) | 153.77 | 219.30 | 232.23 |
| Plant and Machinery | 183.71 | 5.81 | (33.23) | 156.29 | 97.71 | 13.53 | (33.00) | 78.24 | 78.05 | 86.00 |
| Equipment | 5.85 | 0.73 | (0.15) | 6.43 | 3.75 | 0.46 | (0.15) | 4.06 | 2.37 | 2.10 |
| Furniture and Fixtures | 114.09 | 24.61 | (0.83) | 137.87 | 68.30 | 8.39 | (0.73) | 75.96 | 61.91 | 45.79 |
| Computers | 39.27 | 0.14 | 24.50 | 63.91 | 22.01 | 5.99 | 24.50 | 52.50 | 11.41 | 17.26 |
| Leasehold Improvements | 81.95 | 4.75 | (4.22) | 82.48 | 29.04 | 4.50 | (4.04) | 29.50 | 52.98 | 52.91 |
| Sub-Total | 1,103.96 | 41.18 | (18.68) | 1,126.46 | 361.26 | 46.37 | (13.60) | 394.03 | 732.43 | 742.70 |
| Right-of-Use Assets | | | | | | | | | | |
| Leasehold Land | 947.88 | - | - | 947.88 | 277.64 | 33.18 | - | 310.82 | 637.06 | 670.24 |
| Sub-Total | 947.88 | - | - | 947.88 | 277.64 | 33.18 | - | 310.82 | 637.06 | 670.24 |
| Total (A) | 2,051.84 | 41.18 | (18.68) | 2,074.34 | 638.90 | 79.55 | (13.60) | 704.85 | 1,369.49 | 1,412.94 |
| Other Intangible Assets | | | | | | | | | | |
| Brands and Trademarks | - | 345.10 | - | 345.10 | - | - | - | - | 345.10 | - |
| Softwares | 5.97 | 7.00 | (0.22) | 12.75 | 2.68 | 2.94 | (0.00)* | 5.62 | 7.13 | 3.29 |
| Total (B) | 5.97 | 352.10 | (0.22) | 357.85 | 2.68 | 2.94 | - | 5.62 | 352.23 | 3.29 |
| Total (A+B) | 2,057.81 | 393.28 | (18.90) | 2,432.19 | 641.58 | 82.49 | (13.60) | 710.47 | 1,721.72 | 1,416.23 |
| Previous Year | 2,016.44 | 70.46 | (29.09) | 2,057.81 | 584.68 | 83.71 | (26.81) | 641.58 | 1,416.23 | 1,431.76 |
| Capital Work-in-Progress (CWIP) | 92.98 | 12.05 | (9.60) | 95.43 | - | - | - | - | 95.43 | 92.98 |

Metro Cash and Carry India Private Limited

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

5.1 CWIP Ageing Schedule as at March 31, 2024

(₹ in crore)

| Particulars | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|---------------------------------|------------------|-----------|-----------|-------------------|--------------|
| Capital Work-in-Progress | | | | | |
| Projects in process | 10.36 | - | - | 85.07 | 95.43 |
| Total | 10.36 | - | - | 85.07 | 95.43 |

5.2 CWIP Ageing Schedule as at March 31, 2023

(₹ in crore)

| Particulars | Less than 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | Total |
|---------------------------------|------------------|-------------|-------------|-------------------|--------------|
| Capital Work-in-Progress | | | | | |
| Projects in process | 3.11 | 1.97 | 0.66 | 87.24 | 92.98 |
| Total | 3.11 | 1.97 | 0.66 | 87.24 | 92.98 |

* Depreciation on software deleted is amounting to ₹ 0.0031

Notes:

i) Freehold land comprises 2 plots (March 31, 2023: 2) of agricultural land, of which conversion of 2 plot (March 31, 2023: 2) of agricultural land for commercial use would attract conversion fees payable to the respective state government which may increase the cost of the related land (refer note 36(a)).

ii) Capital work in progress primarily comprises of:

- amount of ₹ 89.12 (March 31, 2023: ₹ 85.00) towards fair value of the complex at Yeshwanthpur Bangalore pursuant to sale and redevelopment of the existing store and office premises.

'- amount of ₹ 6.03(March 31, 2023: ₹ Nil) towards IT Migration of existing stores and additional store capex during the year.

iii) There are no borrowing costs capitalised during the year ended March 31, 2024 and March 31, 2023 respectively.

iv) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.

v) Assets amounts have been reclassified/regrouped wherever considered necessary.

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

| | | |
|---|---------------------------------|---------------------------------|
| 6 Investments-Non Current | As at March 31, 2024 | As at March 31, 2023 |
| A Other Investments | | |
| Investments measured at Fair Value | | |
| In Equity Shares - Unquoted, fully paid up | | |
| 4,000 (March 31, 2023: 4,000) equity shares of Renew Wind Energy (AP) Private Limited | 0.04 | 0.04 |
| Total of Investments measured at Fair Value through Profit and Loss | 0.04 | 0.04 |
| Total Investments- Non -Current | 0.04 | 0.04 |

| | | |
|---|---------------------------------|---------------------------------|
| 6.1 Category-wise Non current investment | As at March 31, 2024 | As at March 31, 2023 |
| Financial assets measured at Fair value through Profit and Loss | 0.04 | 0.04 |
| Total Non current investment | 0.04 | 0.04 |
| Aggregate Value of Unquoted Investments | 0.04 | 0.04 |

| | | |
|--|---------------------------------|---------------------------------|
| | (₹ in crore) | |
| 7 Others Financial Assets - Non Current | As at March 31, 2024 | As at March 31, 2023 |
| Unsecured, considered good* | | |
| Security deposit | 22.98 | 22.23 |
| Total | 22.98 | 22.23 |

* carried at amortised cost, unless otherwise stated

| | | |
|--------------------------------|---------------------------------|---------------------------------|
| | (₹ in crore) | |
| 8 Deferred Tax | As at March 31, 2024 | As at March 31, 2023 |
| Deferred Tax Assets (Net) | 21.59 | - |
| Net Deferred Tax Assets | 21.59 | - |

| | | | | | |
|---|-------------------------------|--|--|---|--------------------------------|
| | (₹ in crore) | | | | |
| Component of Deferred tax Assets / (Liabilities) | As at April 1 2023 | (Charge) / Credit to Statement of Profit and Loss | (Charge) / Credit to Other comprehensive Income | Others (Including Exchange Difference) | As at March 31 2024 |
| Deferred tax asset (Net) in relation to: | | | | | |
| Property, Plant and Equipment and Other Intangible Assets | - | 21.59 | - | - | 21.59 |
| Total | - | 21.59 | - | - | 21.59 |
| Net Deferred Tax Assets | - | 21.59 | - | - | 21.59 |

Metro Cash and Carry India Private Limited

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

| | | (₹ in crore) | |
|--|--|-------------------------|-------------------------|
| 9 | Other Non- Current Assets (Unsecured and Considered Good) | As at March 31, 2024 | As at March 31, 2023 |
| | Capital Advances | 0.01 | 0.94 |
| | Advance Income Tax (Net of Provision) | 16.79 | 16.56 |
| | Amount paid under protest | 13.77 | 9.72 |
| | Total | 30.57 | 27.22 |
| <hr/> | | | |
| | | (₹ in crore) | |
| 10 | Inventories (Valued at lower of cost or net realisable value)* | As at March 31, 2024 | As at March 31, 2023 |
| | Stock-in-Trade | 824.70 | 529.87 |
| | Total | 824.70 | 529.87 |
| <hr/> | | | |
| <p>* The provision for obsolescence of inventories to net realisable value amounted to ₹ 12.59 (March 31, 2023: ₹ 8.47). The movement in provision is included in the purchases of stock-in-trade.</p> | | | |
| | | (₹ in crore) | |
| 11 | Current Investments | As at March 31, 2024 | As at March 31, 2023 |
| Investments Measured at Fair Value Through Profit and Loss (FVTPL) | | | |
| | Investment in Mutual Funds -In Units - Quoted | 67.57 | - |
| | Total of Investments Measured at Fair Value Through Profit and Loss | 67.57 | - |
| <hr/> | | | |

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

(₹ in crore)

12 Trade Receivables

As at
March 31, 2024 As at
March 31, 2023

| | | |
|--|--------------|--------------|
| Trade receivables^ | | |
| Secured, considered good | 13.73 | 0.31 |
| Unsecured, considered good | 71.72 | 29.38 |
| | 85.45 | 29.69 |
| Unsecured, credit impaired | 30.04 | 27.77 |
| | 115.49 | 57.46 |
| Less: Allowance for expected credit loss | (30.04) | (27.77) |
| Total | 85.45 | 29.69 |

^All trade receivables are 'current' in nature

12.1 Trade Receivables ageing

(₹ in crore)

| Particulars | Outstanding for following periods from due date of payment* | | | | | | |
|--|---|--------------------|-----------------|-----------|-----------|-------------------|--------------|
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| As at March 31, 2024 | | | | | | | |
| (i) Undisputed Trade receivables considered good | 38.36 | 47.01 | 0.08 | - | - | - | 85.45 |
| (ii) Undisputed Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables credit impaired | 0.04 | 2.66 | 0.68 | 0.26 | 0.01 | 0.01 | 3.66 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables which have significant increase in credit risk | - | 0.01 | - | - | - | - | 0.01 |
| (vi) Disputed Trade Receivables credit impaired | 0.05 | 0.32 | 0.59 | 1.37 | 0.65 | 23.39 | 26.37 |
| | 38.45 | 50.00 | 1.35 | 1.63 | 0.66 | 23.40 | 115.49 |
| Less: Allowance for expected credit loss | - | - | - | - | - | - | (30.04) |
| Total trade receivable | | | | | | | 85.45 |

* Net of Provision

| Particulars | Outstanding for following periods from due date of payment * | | | | | | |
|--|--|--------------------|-----------------|-----------|-----------|-------------------|--------------|
| | Not Due | Less than 6 months | 6 months-1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| As at March 31, 2023 | | | | | | | |
| (i) Undisputed Trade receivables considered good | 23.40 | 6.07 | 0.22 | - | - | - | 29.69 |
| (ii) Undisputed Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables credit impaired | 0.64 | 0.05 | 0.03 | 0.01 | 0.08 | 0.25 | 1.06 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables credit impaired | 0.73 | 0.60 | 0.12 | 0.72 | 2.65 | 21.89 | 26.71 |
| | 24.77 | 6.72 | 0.37 | 0.73 | 2.73 | 22.14 | 57.46 |
| Less: Allowance for expected credit loss | - | - | - | - | - | - | (27.77) |
| Total trade receivable | | | | | | | 29.69 |

* Net of Provision

Metro Cash and Carry India Private Limited

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

| 13 Cash and Cash Equivalents | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Cash on Hand | 0.95 | 0.91 |
| Balances with banks - in current accounts | 64.75 | 151.85 |
| Total | 65.70 | 152.76 |

| 14 Bank balances other than cash and cash equivalents | (₹ in crore) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Balances with banks - in fixed deposit accounts with banks (with maturity of more than 3 months but less than 12 months) | 0.06 | 0.06 |
| Total | 0.06 | 0.06 |

| 15 Other Financial Assets – Current (Unsecured and Considered Good) | As at | |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Restricted deposits in Tsunami Relief Fund account(Refer Note 23) | 0.63 | 0.63 |
| Others (i) & (ii) | 126.43 | 61.68 |
| Total | 127.06 | 62.31 |

(i) Includes receivable from payment gateway vendors

(ii) Includes Advances to Related Party during the year ₹ Nil (Previous year ₹ 0.25 crore) (Refer Note 39).

| 16 Other Current Assets (Unsecured and Considered Good) | (₹ in crore) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Balance with Customs, Central Excise, GST and State Authorities | 226.50 | 147.12 |
| Others (i) | 30.71 | 32.67 |
| Total | 257.21 | 179.79 |

(i) Includes advance to employees, prepaid expenses and receivable from vendor

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

| 17 Equity Share Capital | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Authorised: | | |
| 1,500,000,000 Equity Shares of ₹10 each | 1,500.00 | 1,500.00 |
| Total | 1,500.00 | 1,500.00 |
| Issued, Subscribed and Fully Paid-Up: | | |
| 1,345,631,385 Equity Shares of ₹10 each | 1,345.63 | 1,345.63 |
| Total | 1,345.63 | 1,345.63 |

17.1 The details of Shareholders holding more than 5% shares :

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|---------|----------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Reliance Retail Ventures Limited along with its nominees | 1,34,56,31,385 | 100.00% | - | - |
| METRO Cash & Carry International GmbH | - | - | 1,34,56,31,384 | 99.99% |

17.2 The details of Shareholding of Promoter:

As at March 31, 2024

| Sr. No. | Class of Equity share | Promoter's name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % of change during the year |
|--------------|---|--|--|------------------------|--------------------------------------|-------------------|-----------------------------|
| 1 | Fully paid-up equity shares of ₹10 each | Reliance Retail Ventures Limited along with its nominees | - | 1,34,56,31,385 | 1,34,56,31,385 | 100.00% | 100.00% |
| Total | | | - | 1,34,56,31,385 | 1,34,56,31,385 | | |

As at March 31, 2023

| Sr. No. | Class of Equity share | Promoter's name | No. of shares at the beginning of the year | Change during the year | No. of shares at the end of the year | % of total shares | % of change during the year |
|--------------|---|---------------------------------------|--|------------------------|--------------------------------------|-------------------|-----------------------------|
| 1 | Fully paid-up equity shares of ₹10 each | METRO Cash & Carry International GmbH | 1,34,56,31,384 | - | 1,34,56,31,384 | 99.99% | 0% |
| Total | | | 1,34,56,31,384 | - | 1,34,56,31,384 | | |

17.3 The Reconciliation of the number of shares outstanding is set out below :

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| | No. of shares | No. of shares |
| Equity Shares outstanding at the beginning of the year | 1,34,56,31,385 | 1,34,56,31,385 |
| Add: Equity Shares issued during the year | - | - |
| Equity Shares outstanding at the end of the year | 1,34,56,31,385 | 1,34,56,31,385 |

17.4 Rights, preferences and restrictions attached to Shares:

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company has not declared any dividends during the year.

17.5 Particulars of shares held by Holding Company

| | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|----------------|----------------------|----------------|
| | % of holding | No of shares | % of holding | No of shares |
| Reliance Retail Ventures Limited along with its nominees - Holding Company | 100.00% | 1,34,56,31,385 | | |
| METRO Cash & Carry International GmbH | | | 99.99% | 1,34,56,31,384 |
| METRO Dienstleistungs-Holding GmbH | | | 0.01% | 1 |

17.6 There has been no shares reserved for issue under options and contracts for sale of shares.

17.7 The Company has not allotted any fully paid-up equity shares by way of bonus shares, has not bought back any class of equity shares and has not issued shares for consideration other than cash during the period of five years immediately preceding the Balance Sheet date.

Metro Cash and Carry India Private Limited

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

| | | (₹ in crore) | |
|---|--|-------------------------|-------------------------|
| 18 Other Equity | | As at March 31, 2024 | As at March 31, 2023 |
| A Instrument entirely Equity in nature | | | |
| Debentures* | | | |
| Zero Coupon Optionally fully convertible debentures | | 950.00 | - |
| | | 950.00 | - |
| B Other Equity | | | |
| Securities Premium** | | | |
| As per last Balance Sheet | | 997.05 | 997.05 |
| Less: OFCD issue expenses | | (0.05) | - |
| | | 997.00 | 997.05 |
| Retained Earnings | | | |
| As per last Balance Sheet | | (1,856.95) | (1,748.06) |
| Add: Loss for the year | | (79.03) | (108.89) |
| | | (1,935.98) | (1,856.95) |
| Other Comprehensive Income*** | | | |
| As per last Balance Sheet | | (17.60) | (17.03) |
| Add: Movement in OCI (Net) during the year | | 2.46 | (0.57) |
| | | (15.14) | (17.60) |
| Total | | (4.12) | (877.50) |

*The Company has issued and allotted

- a) 83,89,00,000 OFCDs of face value of Rs. 10/- each aggregating to Rs. 8,38,90,00,000/- (Rupees Eight Hundred and Thirty-Eight Crores and Ninety Lakhs Only) on June 12, 2023.
- b) 6,11,00,000 OFCDs of face value of Rs. 10/- each aggregating to Rs. 61,10,00,000/- (Rupees Sixty One Crores and Ten Lakhs Only) on July 21, 2023.
- c) 5,00,00,000 OFCDs of face value of Rs. 10/- each aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores) on January 10, 2024.

The number of equity shares to be issued upon conversion shall be 44 equity shares for every 100 OFCDs.

The tenure of each OFCD are 10 years from the date of allotment and both the Company and OFCD holder have an option for early conversion at any time after allotment of the OFCDs by giving one-month notice.

If not converted earlier, the Company will redeem the outstanding OFCDs on expiry of 10 years from the date of allotment at the price at which the OFCDs were issued. The Company may agree for early redemption of the outstanding OFCD on any date after expiry of 30 days from the date of allotment.

**Securities premium reserve is used to record the premium received on issue of shares by the Company. It is utilised in accordance with the provision of Section 52(2) of the Companies Act, 2013.

***-The cumulative gain or loss arising on the actuarial valuation on remeasurements of defined benefit plan is recognised and accumulated under the heading of actuarial gains and losses reserve. Items included in actuarial gains or losses reserve will not be reclassified subsequently to Statement of Profit and Loss.

Metro Cash and Carry India Private Limited

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

| 19 | Lease liabilities | (₹ in crore) | |
|----|-------------------|-------------------------|-------------------------|
| | | As at March 31, 2024 | As at March 31, 2023 |
| | Lease liabilities | 947.28 | 938.57 |
| | Total | 947.28 | 938.57 |

The maturity analysis of lease liabilities is disclosed in note 40.

| 20 | Provisions - Non Current | (₹ in crore) | |
|----|------------------------------------|-------------------------|-------------------------|
| | | As at March 31, 2024 | As at March 31, 2023 |
| | Provision for Employee Benefits(i) | 14.02 | 23.88 |
| | Total | 14.02 | 23.88 |

(i) The provision for employee benefit includes gratuity, leave encashment (refer note 41).

| 21 | Borrowings - Current | (₹ in crore) | |
|----|------------------------------------|-------------------------|-------------------------|
| | | As at March 31, 2024 | As at March 31, 2023 |
| | Secured - At amortised Cost | | |
| | Working Capital Loans | | |
| | Loan from banks | - | 644.83 |
| | Total | - | 644.83 |

Notes

- (i) Information about the Company's exposure to interest risk and liquidity risk is included in note 38.
- (ii) Maximum amount outstanding at any time during the year was ₹ 644.83 crore (Previous year ₹ 644.83 crore)
- (iii) Includes ₹ Nil (March 31, 2023 : ₹ 44.83) relating to vendor financing availed from BNP Paribas as on March 31, 2024.
- (iv) Details of repayment terms
There has been no default in the repayment of interest and principal on the above loans as at the year end.

As on March 31, 2024

| Name of the bank | As on March 31, 2024 | Date of repayment | Interest rate as at March 31, 2024 |
|------------------|----------------------|-------------------|------------------------------------|
| Nil | - | Nil | - |

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

As on March 31, 2023

| Name of the bank | As at March 31, 2023 | Date of repayment (refer note 1 below) | Interest rate as at March 31, 2023 |
|--------------------------|-------------------------|---|---------------------------------------|
| HDFC Bank Ltd | | | |
| Short term loan-1 | 100.00 | May 23, 2023 | 8.45% |
| Short term loan-2 | 35.00 | April 17, 2023 | 8.80% |
| BNP Paribas | | | |
| Short term loan-1 | 25.00 | March 31, 2023 | 8.80% |
| Short term loan-2 | 15.00 | March 31, 2023 | 8.80% |
| Short term loan-3 | 15.00 | March 31, 2023 | 8.80% |
| Barclays Bank PLC | | | |
| Short term loan-1 | 25.00 | April 21, 2023 | 9.40% |
| Short term loan-2 | 25.00 | April 21, 2023 | 9.40% |
| Short term loan-3 | 30.00 | April 21, 2023 | 9.40% |
| Short term loan-4 | 50.00 | April 21, 2023 | 9.40% |
| Short term loan-5 | 50.00 | April 21, 2023 | 9.40% |
| Short term loan-6 | 25.00 | April 21, 2023 | 9.40% |
| Short term loan-7 | 25.00 | April 21, 2023 | 9.40% |
| Short term loan-8 | 25.00 | April 21, 2023 | 9.40% |
| Short term loan-9 | 25.00 | April 21, 2023 | 9.40% |
| ICICI | | | |
| Short term loan-1 | 50.00 | June 22, 2023 | 8.60% |
| Short term loan-2 | 50.00 | June 22, 2023 | 8.60% |
| Short term loan-3 | 30.00 | June 22, 2023 | 8.60% |
| | 600.00 | | |

Note 1 - The loan is repayable at a one time single bullet repayment as per the date mentioned in the table above.

Net debt reconciliation

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Investments | 67.57 | - |
| Cash and cash equivalents | 65.70 | 152.76 |
| Bank balances other than cash and cash equivalents | 0.06 | 0.06 |
| Current borrowings | - | (644.83) |
| Lease liabilities (Current and non- | (947.28) | (938.57) |
| | (813.95) | (1,430.58) |

Metro Cash and Carry India Private Limited

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

(₹ in crore)

| 22 Trade payable | As at | As at |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Dues to micro enterprises and small enterprises (Refer Note 22.2) | 41.46 | 14.06 |
| Dues to related parties (Refer Note 39) | 305.54 | 0.19 |
| Dues to creditors other than micro enterprises and small enterprises | 557.76 | 327.03 |
| Total | 904.76 | 341.28 |

22.1 Trade Payables Ageing

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at March 31, 2024 | | | | | | |
| (i) MSME | 41.46 | - | - | - | - | 41.46 |
| (ii) Others | 385.39 | 473.11 | 0.36 | 0.78 | 3.66 | 863.30 |
| (iii) Disputed Dues -MSME | - | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 426.85 | 473.11 | 0.36 | 0.78 | 3.66 | 904.76 |

Trade Payable Ageing

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|--|------------------|-------------|-------------|-------------------|---------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| As at March 31, 2023 | | | | | | |
| (i) MSME | 14.06 | - | - | - | - | 14.06 |
| (ii) Others | 45.39 | 272.83 | 0.81 | 1.53 | 6.66 | 327.22 |
| (iii) Disputed Dues -MSME | - | - | - | - | - | - |
| (iv) Disputed Dues-Others | - | - | - | - | - | - |
| Total | 59.45 | 272.83 | 0.81 | 1.53 | 6.66 | 341.28 |

22.2 There are no overdue amounts outstanding to Micro and Small Enterprises as at March 31, 2024.

Metro Cash and Carry India Private Limited

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

| 23 Other Financial Liabilities-Current | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Creditors for Capital Expenditure | 1.16 | 0.78 |
| Others(i) | 0.94 | 2.72 |
| Total | 2.10 | 3.50 |

(i) Includes Liability towards Tsunami Relief Fund(Refer Note 15) & Accrued salaries and benefits

| 24 Other Current Liabilities | (₹ in crore) | |
|------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Income Received in Advance | 10.40 | 10.83 |
| Advance from Customers | 33.23 | 37.06 |
| Other Payables(i) | 47.97 | 23.03 |
| Total | 91.60 | 70.92 |

(i) Includes TDS Payable, GST reverse charge and Employee related payables

| 25 Provisions - Current | (₹ in crore) | |
|------------------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Provision for Employee Benefits(i) | 5.34 | 8.58 |
| Other Provisions* | 13.47 | 13.49 |
| Total | 18.81 | 22.07 |

⁽ⁱ⁾ Provision for employee benefit includes gratuity, leave encashment (refer note 41).

*Includes Direct and Indirect tax provision

Metro Cash and Carry India Private Limited

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

(₹ in crore)

| 26 Revenue from Operations | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Value of Sales* | 8,441.07 | 7,542.78 |
| Other operating revenue | | |
| - Scrap sales | 2.66 | 3.57 |
| Total | 8,443.73 | 7,546.35 |
| * Net of GST | | |

(₹ in crore)

| 27 Other Income | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------|--------------------------------------|--------------------------------------|
| Interest | | |
| Others* | 3.37 | 1.60 |
| | 3.37 | 1.60 |

*Includes interest on security deposit, mutual fund and income tax refund

Gain / (Loss) on Financial Assets

| | | |
|--------------------------|------|---|
| Realised Gain | 0.77 | - |
| Unrealised Gain / (Loss) | 0.81 | - |
| | 1.58 | - |

Other Non-Operating Income*

| | | |
|--------------|--------------|--------------|
| | 13.11 | 41.81 |
| Total | 18.06 | 43.41 |

*Includes Provision no longer required written back

(₹ in crore)

| 28 Purchases of stock-in-trade | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Purchases of stock-in-trade | 7,980.03 | 6,816.84 |
| Total | 7,980.03 | 6,816.84 |

(₹ in crore)

| 28A Changes in Inventories of Stock-in-Trade | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|--------------------------------------|--------------------------------------|
| Inventories (at close) | | |
| Stock-in-Trade | 824.70 | 529.87 |
| Inventories (at commencement) | | |
| Stock-in-Trade | 529.87 | 508.21 |
| Total | (294.83) | (21.66) |

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

| | (₹ in crore) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| 29 Employee Benefits Expense* | | |
| Salaries and Wages | 200.49 | 220.02 |
| Contribution to Provident and Other Funds | 19.32 | 18.96 |
| Staff Welfare Expenses | 14.89 | 18.37 |
| Total | 234.70 | 257.35 |
| * Refer Note 41 | | |
| 30 Finance Costs | | |
| | | (₹ in crore) |
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Interest expenses | 7.47 | 39.36 |
| Interest on lease liabilities | 87.86 | 87.44 |
| Total | 95.33 | 126.80 |
| 31 Depreciation and Amortisation Expenses | | |
| | | (₹ in crore) |
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Depreciation of property, plant and equipment (refer note 5) | 46.37 | 49.45 |
| Amortisation of intangible assets (refer note 5) | 2.94 | 0.79 |
| Amortisation of right of use assets (refer note 5) | 33.18 | 33.47 |
| Total | 82.49 | 83.71 |
| 32 Other Expenses | | |
| | | (₹ in crore) |
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Selling and Distribution Expenses | | |
| Sales Promotion and Advertisement Expenses | 35.22 | 33.46 |
| Royalty | 8.41 | 75.42 |
| Warehousing and Distribution Expenses | 56.57 | 41.88 |
| | 100.20 | 150.76 |
| Establishment Expenses | | |
| Repairs and Maintenance | 37.87 | 36.43 |
| Rent | 12.38 | 10.96 |
| Insurance | 3.28 | 5.05 |
| Rates and Taxes | 10.33 | 9.71 |
| Travelling and Conveyance Expenses | 12.41 | 13.26 |
| Payment to Auditors | 0.63 | 0.42 |
| Professional Fees | 10.69 | 15.20 |
| Electricity Expenses | 43.88 | 44.26 |
| Hire Charges | 62.40 | 49.62 |
| Stationary Expenses | 2.87 | 3.45 |
| Security Charges | 19.89 | 18.13 |
| Bank Charges | 50.16 | 36.61 |
| Provision for Doubtful Debt | 2.49 | 0.02 |
| General Expenses | 95.21 | 41.73 |
| | 364.49 | 284.85 |
| Total | 464.69 | 435.61 |
| 32.1 Payment to Auditors as: | | |
| | | (₹ in crore) |
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Statutory Audit Fees | 0.63 | 0.42 |
| | 0.63 | 0.42 |

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

33 Corporate Social Responsibilities (CSR)

As the average net profit of the Company made during the three immediately preceding financial year is negative, the Company has not earmarked specific funding for Corporate Social Responsibility and sustainable activities as required under the provision of Section 135 of the Act.

34 Taxation**Recognised deferred tax assets and liabilities**

(₹ in crore)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Deferred tax liabilities | | |
| Property, plant and equipment | (29.96) | (34.14) |
| Right of use assets | (222.61) | (234.21) |
| Deferred tax assets | | |
| Provision for gratuity & leave encashment | 6.76 | 11.34 |
| Provision for bad debts | 10.50 | 25.70 |
| Provision for bonus | 6.64 | 1.90 |
| Lease liabilities | 250.26 | 229.41 |
| Deferred tax assets/ (liabilities) | 21.59 | - |

The applicable Indian corporate statutory tax rate for the years ended March 31, 2024 and March 31, 2023 is 34.94% each.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised with respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom:

(₹ in crore)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Deductible temporary difference | 80.76 | 98.57 |
| Unabsorbed depreciation and carry forward losses | 697.24 | 649.80 |
| | 778.00 | 748.37 |

Income Tax recognised in the Statement of Profit and Loss

| | | |
|---------------------------------|----------------|----------|
| Current Tax | - | - |
| Deferred Tax | (21.59) | - |
| Total Income Tax Expense | (21.59) | - |

The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Loss before Tax | (100.62) | (108.89) |
| Applicable Tax Rate | 34.94% | 34.94% |
| Computed Tax Expense | - | - |
| Current Tax Provision (A) | - | - |
| Incremental Deferred Tax Liability/(Assets) on account of Property Plant and Equipments and Other Intangible Assets | (21.59) | - |
| Incremental Deferred Tax Liability on account of Financial Assets and Other items | - | - |
| Deferred Tax Provision (B) | (21.59) | - |
| Tax Expenses recognised in Statement of Profit and Loss (A+B) | (21.59) | - |
| Effective Tax Rate | 21.45% | - |

Tax losses carried forward

Tax losses for which no deferred tax asset was recognised expire as follows:

| *Particulars | March 31, 2024 | Expiry date (Financial Year) | March 31, 2023 | Expiry date (Financial Year) |
|-------------------------|----------------|---------------------------------|----------------|---------------------------------|
| Business loss | - | 2022-23 | 49.55 | 2022-23 |
| Business loss | - | 2023-24 | 15.15 | 2023-24 |
| Business loss | - | 2024-25 | 6.00 | 2024-25 |
| Business loss | - | 2027-28 | 22.61 | 2027-28 |
| Unabsorbed depreciation | 697.24 | - | 649.18 | - |

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

| 35 Loss Per Share (EPS) | Year ended | Year ended |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Face Value per Equity Share (₹) | 10 | 10 |
| Basic and Diluted Loss per Share (₹) | (0.59) | (0.81) |
| Net loss as per Statement of Profit and Loss (₹ crore) | (79.03) | (108.89) |
| Weighted average number of equity shares used as denominator for calculating EPS | 1,34,56,31,385 | 1,34,56,31,385 |

36 Commitments and Contingent Liabilities

| | (₹ in crore) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| (I) Contingent Liabilities | | |
| (A) Guarantees | | |
| (i) Performance Guarantees | 26.31 | 18.63 |
| (B) Claim against the Company / Disputed Liabilities not acknowledged as Debts* | 37.35 | 37.35 |
| (II) Commitments | | |
| (A) Estimated amount of contracts remaining to be executed on capital accounts and not provided for | 0.43 | 1.66 |

* The above disputed liabilities are not expected to have any material effect on the financial position of the Company

- a) The Company had acquired 2 plots (previous year: 2 plots) of agricultural land in the state of Punjab, out of which 1 land has been converted for commercial use and operations have started. In terms of the rules applicable in Punjab, the Company is required to pay a conversion fee to be able to use the land for commercial purposes. The Company has assessed that all incidence of conversion charges would crystallize at the time of appropriate authority notifying the charges on application of development / conversion and the Company demonstrates the obligation by payment of the notified dues. As at the balance sheet date there are no such demand and hence no provision has been created.

37 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, to sustain future development of the business and to ensure that the Company will be able to continue as going concern. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Net gearing ratio at the end of the reporting year was as follows:

(₹ in crore)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Gross Debt | 947.28 | 1,583.40 |
| Cash and Marketable Securities* | 133.33 | 152.81 |
| Net Debt (A) | 813.95 | 1,430.59 |
| Total Equity (As per Balance Sheet) (B) | 1,341.51 | 468.13 |
| Net Gearing (B/A) | 1.65 | 0.33 |

*Cash and Marketable Securities include Cash and Cash Equivalents of ₹ 65.70 crore (Previous Year ₹ 152.76 crore), Current Investments and Marketable securities of ₹ 67.57 crore (Previous Year ₹ Nil).

Metro Cash and Carry India Private Limited

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

38 Financial Instruments

Valuation Methodology

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

-The fair value of investment in quoted Mutual Funds is measured at quoted price or NAV.

Fair value measurement hierarchy:

(₹ in crore)

| Particulars | As at March 31, 2024 | | | | As at March 31, 2023 | | | |
|------------------------------|----------------------|------------------------|---------|---------|----------------------|------------------------|---------|---------|
| | Carrying Amount | Level of input used in | | | Carrying Amount | Level of input used in | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Trade Receivables | 85.45 | - | - | - | 29.69 | - | - | - |
| Cash and Bank Balances | 65.70 | - | - | - | 152.76 | - | - | - |
| Bank balances | 0.06 | | | | 0.06 | | | |
| Loans | - | - | - | - | - | - | - | - |
| Other Financial Assets | 150.04 | - | - | - | 84.54 | - | - | - |
| | | | | | | | - | |
| At FVTPL | | | | | | | | |
| Investments | 67.61 | 67.57 | - | - | 0.04 | - | - | - |
| Financial Liabilities | | | | | | | | |
| At Amortised Cost | | | | | | | | |
| Borrowings | - | - | - | - | 644.83 | - | - | - |
| Trade Payables | 904.76 | - | - | - | 341.28 | - | - | - |
| Lease Liabilities | 947.28 | - | - | - | 938.57 | - | - | - |
| Other Financial Liabilities | 2.10 | - | - | - | 3.50 | - | - | - |

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

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The sensitivity of level 3 investments is not expected to be material

Notes to the Financial Statements for the year ended March 31, 2024**Foreign Currency Risk**

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

Company's exposure to foreign currency as at the year end is not material, also the Company has a prudent and conservative process for managing its foreign currency risk, if any.

Interest Rate risk

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

| | (₹ in crore) | |
|----------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Borrowings | | |
| Current [#] | - | 644.83 |
| Total | - | 644.83 |

Sensitivity analysis of % change in interest rate in respect of floating rate loans is not likely to be material

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables. Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks which are reputable.

The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivables:

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements and industry information.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers.

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Expected credit loss assessment for customers as at March 31, 2024 and March 31, 2023 are as follows:

The Company uses an allowance matrix to measure the expected credit loss of trade receivable from customers.

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are more than 180 days past due. Loss rates are based on actual credit loss experience over the last 3 years.

These rates have been adjusted to reflect the management's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

As at March 31, 2024

| Particulars | Gross carrying amount | Expected credit loss rate | Expected credit losses | Whether receivable is credit impaired | Carrying amount of trade receivables |
|----------------------|-----------------------|---------------------------|------------------------|---------------------------------------|--------------------------------------|
| Not due | 38.45 | 0.23% | 0.09 | No | 38.36 |
| Past due 1–90 days | 48.96 | 5.82% | 2.85 | No | 46.12 |
| Past due 91–180 days | 1.04 | 13.69% | 0.14 | No | 0.90 |
| Above 180 days | 27.04 | 99.72% | 26.96 | Yes | 0.08 |
| | 115.49 | | 30.04 | | 85.45 |

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

As at March 31, 2023

| Particulars | Gross carrying amount | Expected credit loss rate | Expected credit losses | Whether receivable is credit impaired | Carrying amount of trade receivables |
|----------------------|-----------------------|---------------------------|------------------------|---------------------------------------|--------------------------------------|
| Not due | 24.77 | 5.55% | 1.38 | No | 23.39 |
| Past due 1–90 days | 6.06 | 7.85% | 0.48 | No | 5.58 |
| Past due 91–180 days | 0.66 | 27.42% | 0.18 | No | 0.48 |
| Above 180 days | 25.97 | 99.14% | 25.73 | Yes | 0.24 |
| | 57.46 | | 27.77 | | 29.69 |

Movement in allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Balance as at the beginning of the year | 27.77 | 29.14 |
| Provision released during the year | 2.27 | (1.37) |
| Balance as at the end of the year | 30.04 | 27.77 |

The Company writes off the receivable balances in case of uncertainty of recoverability.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's objective is to maintain a balance between cash outflow and inflow. Usually, the excess of funds is invested in Mutual Fund. This is generally carried out in accordance with practice and limits set by the Company. The limits vary to take into account the liquidity of the market in which the Company operates.

(₹ in crore)

Maturity Profile as at March 31, 2024

| Liquidity Risks | Less than 1 year | 1-3 Years | 3-5 Years | Above 5 Years | Grand Total |
|---|------------------|-----------|-----------|---------------|-----------------|
| Non Derivative Liabilities | | | | | |
| Trade payables | 904.76 | - | - | - | 904.76 |
| Other financial liabilities (current and non-current) | 2.10 | - | - | - | 2.10 |
| | 906.86 | - | - | - | 906.86 |
| Lease Liabilities | 87.59 | 184.70 | 195.68 | 1,857.41 | 2,325.38 |

(₹ in crore)

Maturity Profile as at March 31, 2023

| Liquidity Risks | Less than 1 year | 1-3 Years | 3-5 Years | Above 5 Years | Grand Total |
|---|------------------|-----------|-----------|---------------|-----------------|
| Non Derivative Liabilities | | | | | |
| Current borrowings | 644.83 | - | - | - | 644.83 |
| Trade payables | 341.27 | - | - | - | 341.27 |
| Other financial liabilities (current and non-current) | 3.50 | - | - | - | 3.50 |
| | 989.60 | - | - | - | 989.60 |
| Lease Liabilities | 84.32 | 178.78 | 189.95 | 1,956.65 | 2,409.70 |

Metro Cash and Carry India Private Limited

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

39 Related Party Disclosures :

(i) List of related parties with whom transactions have taken place and relationship

| Sr. No. | Name of the Related Party | Relationship |
|-----------------------------|--|--|
| As at March 31, 2024 | | |
| 1 | Reliance Industries Limited | Ultimate Holding Company |
| 2 | Reliance Retail Ventures Limited | Holding Company |
| 3 | Reliance Retail Limited | Fellow Subsidiary |
| 4 | 7-India Convenience Retail Limited | Fellow Subsidiary |
| 5 | Grab A Grub Services Limited | Fellow Subsidiary |
| 6 | Reliance Projects & Property Management Services Limited | Fellow Subsidiary |
| 7 | Circle E Retail Private Limited | Fellow Subsidiary |
| 8 | Reliance Jio Infocomm Limited | Fellow Subsidiary |
| 9 | Sir HN Hospital Trust | Enterprises over which Key Managerial Personnel are able to exercise significant influence |
| 10 | MCC India Employees' Provident Fund Trust | Employees' Benefit Plans where there is significant influence |
| 11 | Metro Cash & Carry India Private Limited's Company Gratuity Scheme | Employees' Benefit Plans where there is significant influence |
| 12 | METRO Cash & Carry International GmbH (Till May 10, 2023) | Holding company |
| 13 | METRO Global Solution Center Private Limited (Till May 10, 2023) | Fellow Subsidiary |
| 14 | Ashwin Khasgiwala (from October 01, 2023) | Key Managerial Personnel |
| 15 | Sachin Khopde (from September 28, 2023) | Key Managerial Personnel |
| 16 | Jinal Jain (from July 18, 2023) | Key Managerial Personnel |
| 17 | Arvind Mediratta (Till May 10, 2023) | Key Managerial Personnel |
| 18 | Suniana Calapa (Till April 5, 2023) | Key Managerial Personnel |
| 19 | Erik IVO A Heens (Till May 10, 2023) | Director |
| 20 | Peter Matthias Weachter (Till May 10, 2023) | Director |
| As at March 31, 2023 | | |
| 1 | METRO Cash & Carry International GmbH | Holding company |
| 2 | METRO AG | Ultimate Holding Company |
| 3 | METRO Global Solution Center Private Limited | Fellow Subsidiary |
| 4 | METRO Group Information Technology | Fellow Subsidiary |
| 5 | Metro Sourcing International Limited | Fellow Subsidiary |
| 6 | METRO Cash & Carry Wines | Partnership in which control exist |
| 7 | MCC India Employees' Provident Fund Trust | Employees' Benefit Plans where there is significant influence |
| 8 | Metro Cash & Carry India Private Limited's Company Gratuity Scheme | Employees' Benefit Plans where there is significant influence |
| 9 | Arvind Mediratta | Key Managerial Personnel |
| 10 | Suniana Calapa | Key Managerial Personnel |
| 11 | Erik IVO A Heens | Director |
| 12 | Peter Matthias Weachter | Director |

Metro Cash and Carry India Private Limited

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

ii Transaction during the year with related parties (excluding reimbursements)

(₹ in crore)

| Sr. No. | Nature of Transactions | Ultimate Holding Company | Holding Company | Fellow Subsidiary | Key Managerial Personnel | Director | Enterprises over which Key Managerial Personnel are able to exercise significant influence | Employees' Benefit Plans where there is significant influence | Total |
|---------|---------------------------------------|--------------------------|-----------------|-------------------|--------------------------|----------|--|---|--------|
| 1 | Issue of OFCD | - | 950.00 | - | - | - | - | - | 950.00 |
| | | - | - | - | - | - | - | - | - |
| 2 | Inter-Corporate Deposit Taken | - | 75.00 | - | - | - | - | - | 75.00 |
| | | - | - | - | - | - | - | - | - |
| 3 | Inter-Corporate Deposit Repaid | - | 75.00 | - | - | - | - | - | 75.00 |
| | | - | - | - | - | - | - | - | - |
| 4 | Revenue from Operations | 0.15 | - | 48.78 | - | - | 0.03 | - | 48.96 |
| | | - | - | - | - | - | - | - | - |
| 5 | Purchases | - | - | 367.25 | - | - | - | - | 367.25 |
| | | - | - | 0.19 | - | - | - | - | 0.19 |
| 6 | Expenditure | | | | | | | | |
| a) | Professional Fees | - | - | 0.32* | - | - | - | - | 0.32 |
| | | - | - | 4.38 | - | - | - | - | 4.38 |
| b) | Hire Charges | - | - | 0.02 | - | - | - | - | 0.02 |
| | | - | - | - | - | - | - | - | - |
| c) | Finance Cost | - | 0.10 | - | - | - | - | - | 0.10 |
| | | - | - | - | - | - | - | - | - |
| d) | Warehousing and Distribution Expenses | - | 0.95 | 1.87 | - | - | - | - | 2.82 |
| | | - | - | - | - | - | - | - | - |
| e) | General Expenses | - | - | 0.10 | - | - | - | - | 0.10 |
| | | 2.35 | - | 0.03 | - | - | - | - | 2.38 |
| f) | Employees Benefits Expense | - | - | - | - | - | - | 13.30 | 13.30 |
| | | - | - | - | - | - | - | 9.53 | 9.53 |
| g) | Payment to Key Managerial Personnel | - | - | - | 0.02 | - | - | - | 0.02 |
| | | - | - | - | 16.48 | 11.23 | - | - | 27.71 |
| h) | Royalty | - | 8.41* | - | - | - | - | - | 8.41 |
| | | - | 75.42 | - | - | - | - | - | 75.42 |
| i) | Capital Work in Progress | - | - | 5.81 | - | - | - | - | 5.81 |
| | | - | - | - | - | - | - | - | - |
| | Balance as at March 31, 2024 | | | | | | | | |
| a) | Issue of OFCD | - | 950.00 | - | - | - | - | - | 950.00 |
| | | - | - | - | - | - | - | - | - |
| b) | Trade and Other Receivables | 0.15 | - | 43.26 | - | - | 0.03 | - | 43.44 |
| | | 0.25 | - | - | - | - | - | - | 0.25 |
| c) | Trade and Other Payables | - | 1.10 | 305.54 | - | - | - | 2.85 | 309.50 |
| | | - | - | 0.19 | - | - | - | 2.11 | 2.30 |

* The above related parties where relationship existed for part of the year (Till May 10, 2023)

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

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

(iii) Disclosure in respect of major related party transactions during the year:

(₹ in crore)

| Sr. No | Particulars | Relationship | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------|--|--|------------------------------|------------------------------|
| 1 | Issue of OFCD | | | |
| | Reliance Retail Ventures Limited | Holding Company | 950.00 | - |
| 2 | Inter-Corporate Deposit Taken | | | |
| | Reliance Retail Ventures Limited | Holding Company | 75.00 | - |
| 3 | Inter-Corporate Deposit Repaid | | | |
| | Reliance Retail Ventures Limited | Holding Company | 75.00 | - |
| 4 | Revenue from Operations | | | |
| | Reliance Retail Limited | Fellow Subsidiary | 48.78 | - |
| | 7-India Convenience Retail Limited | Fellow Subsidiary | 0.00 | - |
| | Reliance Industries Limited | Ultimate Holding Company | 0.15 | - |
| | Sir HN Hospital Trust | Enterprises over which Key Managerial Personnel are able to exercise significant influence | 0.03 | - |
| 5 | Purchases | | | |
| | Reliance Retail Limited | Fellow Subsidiary | 367.21 | - |
| | Circle E Retail Private Limited | Fellow Subsidiary | 0.04 | - |
| | Metro Sourcing International Limited | Fellow Subsidiary | - | 0.19 |
| 6 | Expenditure | | | |
| a) | Professional Fees | | | |
| | METRO Global Solution Center Private Limited | Fellow Subsidiary | 0.32* | 4.38 |
| b) | Hire Charges | | | |
| | Reliance Retail Limited | Fellow Subsidiary | 0.02 | - |
| c) | Finance Cost | | | |
| | Reliance Retail Ventures Limited | Holding Company | 0.10 | - |
| d) | Warehousing and Distribution Expenses | | | |
| | Grab A Grub Services Limited | Fellow Subsidiary | 1.41 | - |
| | Reliance Projects & Property Management Services Limited | Fellow Subsidiary | 0.46 | - |
| | Reliance Retail Ventures Limited | Holding Company | 0.95 | - |
| e) | Capital Work in Progress | | | |
| | Reliance Retail Limited | Fellow Subsidiary | 5.81 | - |
| | | | - | - |
| f) | General Expenses | | | |
| | Reliance Jio Infocomm Limited | Fellow Subsidiary | 0.10 | - |
| | METRO AG | Ultimate Holding Company | - | 2.35 |
| | METRO Group Information Technology | Fellow Subsidiary | - | 0.03 |

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

(iii) Disclosure in respect of major related party transactions during the year:

(₹ in crore)

| Sr. No | Particulars | Relationship | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------|--|---|------------------------------|------------------------------|
| g) | Royalty | | | |
| | METRO Cash & Carry International GmbH | Holding Company | 8.41* | 75.42 |
| h) | Employees Benefits Expense | | | |
| | MCC India Employees' Provident Fund Trust | Employees' Benefit Plans where there is significant influence | 5.47 | 5.80 |
| | Metro Cash & Carry India Private Limited's Company Gratuity Scheme | Employees' Benefit Plans where there is significant influence | 7.83 | 3.73 |
| i) | Payment to Key Managerial Personnel | | | |
| | Sachin Khopde | Key Managerial Personnel | 0.01 | - |
| | Jinal Jain | Key Managerial Personnel | 0.01 | - |
| | Arvind Mediratta | Key Managerial Personnel | - | 12.00 |
| | Suniana Calapa | Key Managerial Personnel | - | 4.48 |
| | Erik IVO A Heens | Director | - | 5.72 |
| | Peter Matthias Weachter | Director | - | 5.51 |

(iv) Disclosure in respect of major related party balances during the year:

| | | | | |
|-----------|--|--|--------|------|
| a) | Issue of OFCD | | | |
| | Reliance Retail Ventures Limited | Holding Company | 950.00 | - |
| b) | Trade and Other Receivables | | | |
| | Reliance Industries Limited | Ultimate Holding Company | 0.15 | - |
| | Reliance Retail Limited | Fellow Subsidiary | 43.26 | - |
| | Sir HN Hospital Trust | Enterprises over which Key Managerial Personnel are able to exercise significant influence | 0.03 | - |
| | METRO AG | Ultimate Holding Company | - | 0.25 |
| c) | Trade and Other Payables | | | |
| | Reliance Retail Limited | Fellow Subsidiary | 304.57 | - |
| | Reliance Retail Ventures Limited | Holding Company | 1.10 | - |
| | Reliance Projects & Property Management Services Limited | Fellow Subsidiary | 0.54 | - |
| | Reliance Jio Infocomm Limited | Fellow Subsidiary | 0.00 | - |
| | Grab A Grub Services Limited | Fellow Subsidiary | 0.42 | - |
| | Circle E Retail Private Limited | Fellow Subsidiary | 0.01 | - |
| | METRO Global Solution Center Private Limited | Fellow Subsidiary | - | 0.19 |
| | MCC India Employees Provident Fund Trust | Employees' Benefit Plans where there is significant influence | 2.79 | 2.05 |
| | Metro Cash & Carry India Private Limited's Group Gratuity Scheme | Employees' Benefit Plans where there is significant influence | 0.06 | 0.06 |

* The above related parties where relationship existed for part of the year (Till May 10, 2023)

Note-

On May 11, 2023, The Reliance Retail Ventures Limited (RRVL) acquired 100% of equity shareholding of the Company. Consequently Reliance Retail Ventures Limited is the immediate holding Company and Reliance Industries Limited is the ultimate holding company.

Metro Cash and Carry India Private Limited

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

40 Leases

Changes in the carrying value of right of use assets

| Particulars | (₹ in crore) | |
|-----------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Balance as at April 1, | 670.24 | 683.47 |
| Additions | - | 20.24 |
| Disposals | - | - |
| Amortisation expense for the year | (33.18) | (33.47) |
| Balance as at 31st March | 637.06 | 670.24 |

Movement in lease liabilities

| Particulars | (₹ in crore) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Lease liabilities recognised at April 1 | (938.57) | (913.67) |
| Additions | - | (19.28) |
| Finance cost accrued during the period | (87.86) | (87.44) |
| Payment of lease liabilities | 79.15 | 81.82 |
| Balance as at 31st March | (947.28) | (938.57) |

Details of current and non-current lease liabilities:

| Particulars | (₹ in crore) | |
|-------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Non-current lease liabilities | (947.28) | (938.57) |
| Total | (947.28) | (938.57) |

Details regarding the contractual maturities of lease liabilities on an undiscounted basis

| Particulars | (₹ in crore) | |
|---|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Less than one year | 87.59 | 84.32 |
| One to Three years | 184.70 | 178.78 |
| Three to five years | 195.68 | 189.95 |
| More than five years | 1,857.41 | 1,956.65 |
| Total undiscounted lease liabilities at Balance sheet date | 2,325.38 | 2,409.70 |

Amounts recognised in Statement of Profit and Loss

| Particulars | (₹ in crore) | |
|--|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Interest on lease liabilities | 87.86 | 87.44 |
| Depreciation expense of right of use asset | 33.18 | 33.47 |
| Total Expenses | 121.04 | 120.91 |

Amounts recognised in Statement of cash flows

| Particulars | (₹ in crore) | |
|--------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Total cash outflows for leases | 79.15 | 81.82 |

Metro Cash and Carry India Private Limited

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

41 Assets and liabilities relating to employee benefits

(a) Defined contribution plans:

(₹ in crore)

The Company has recognized, in the Statement of Profit and Loss for the year ended March 31, 2024 an amount of ₹ 7.69 (March 31, 2023: ₹ 8.59) expenses under defined contribution plans (note 29).

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------|------------------------------|------------------------------|
| Provident fund | 6.48 | 7.04 |
| Employee state insurance | 0.43 | 0.75 |
| Family pension fund | 0.78 | 0.80 |
| | 7.69 | 8.59 |

(b) Defined benefit plans:

The Company has recognized, in the Statement of Profit and Loss for the year ended March 31, 2024 an amount of ₹ 11.62 (March 31, 2023: ₹ 10.36) expenses under defined benefits plans (note 29).

| | | |
|----------------|--------------|--------------|
| Provident fund | 6.00 | 6.78 |
| Gratuity | 5.62 | 3.58 |
| | 11.62 | 10.36 |

(i) Provident fund

The Company's provident fund is exempted under Section 17 of Employees' Provident Fund Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, in the interest rate declared by trust over the statutory limit. Having regard to the assets of the fund and the return on the investments, the Company does not expect any deficiency in the foreseeable future.

A) Changes in the present value of defined benefit obligation

| | | |
|--|--------------|--------------|
| Obligations at the beginning of the year | 70.10 | 86.18 |
| Included in the Statement of Profit and Loss: | | |
| - Current service cost | 6.04 | 7.44 |
| - Interest expense | 4.54 | 4.27 |
| Included in other comprehensive income: | | |
| Add: Actuarial losses/ (gains) arising from | | |
| - changes in demographic assumptions | 0.21 | 0.73 |
| - changes in financial assumptions | 0.08 | (3.91) |
| - experience adjustments | (1.42) | 1.45 |
| Less: Benefits paid during the year | (6.97) | (19.51) |
| Increase / (decrease) due to effect of any business combination, divestitures, transfers | (5.76) | (14.35) |
| Employees' contribution | 7.62 | 7.80 |
| Obligations at the end of the year | 74.44 | 70.10 |

B) Changes in the fair value of plan assets

| | | |
|---|--------------|--------------|
| Plans assets at the beginning of the year, at fair value | 72.07 | 89.20 |
| Employer contribution | 5.47 | 5.80 |
| Employee contribution | 7.62 | 7.80 |
| Increase/ (decrease) due to effect of any business combination, | (5.76) | (14.35) |
| Included in other comprehensive income: | | |
| - Expected return on plan assets | 4.73 | 5.10 |
| - Return on plan assets (excluding interest income) | 2.11 | (1.97) |
| Less: Benefits paid | (6.97) | (19.51) |
| Fair value of plan assets at the end of the year | 79.27 | 72.07 |

Metro Cash and Carry India Private Limited

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

41 Assets and liabilities relating to employee benefits (continued)

(b) Defined benefit plans:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|--|--|
| (i) Provident fund (continued) | | |
| C) Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities recognised in the Balance Sheet: | | |
| Present value of obligation | 74.44 | 70.10 |
| Less: Fair value of plan assets | 79.27 | 72.07 |
| Effect of asset ceiling/ onerous liability | 4.83 | 1.97 |
| Less: Recognised | (4.83) | (1.97) |
| (Shortfall) / Excess | - | - |
| D) Change in asset ceiling/ onerous liability | | |
| Asset ceiling/ onerous liability at the beginning of the year | 1.98 | 3.02 |
| Interest income | 0.14 | 0.17 |
| Remeasurements - changes in asset ceiling/ onerous liability | 2.71 | (1.21) |
| (Shortfall) / Excess | 4.83 | 1.98 |
| E) Expenses recognised in the Statement of Profit and Loss | | |
| Included in the Statement of Profit and Loss: | | |
| - Service cost | 6.04 | 7.44 |
| - Interest cost | (0.04) | (0.66) |
| Included in other comprehensive income: | | |
| Add: Actuarial losses/ (gains) arising from | | |
| - changes in demographic assumptions | 0.21 | 0.73 |
| - changes in financial assumptions | 0.08 | (3.91) |
| - experience adjustments | (1.42) | 1.45 |
| - Return on plan assets excluding interest income | (2.11) | 1.97 |
| - Changes in asset ceiling/onerous liability | 2.71 | (1.21) |
| | 5.47 | 5.81 |
| F) Investment details of plan assets | | |
| Debt Instruments | 85.60% | 64.20% |
| Cash and Cash Equivalent | 12.20% | 30.40% |
| Other Investments | 2.19% | 5.40% |
| G) Assumptions | | |
| Discount rate per | 7.20% | 7.30% |
| Interest rate per | 8.25% | 8.15% |
| Expected return on plan | 7.20% | 7.30% |
| Mortality rate | Indian Assured Lives Mortality (2006-08) Modified Ultimate | Indian Assured Lives Mortality (2006-08) Modified Ultimate |

*Rate mandated by the EPFO and the same is used for valuation purposes by the actuary.

H) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars | Year ended March 31, 2024 | | Year ended March 31, 2023 | |
|--|---------------------------|----------|---------------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (+/- 50 basis points movement) | 74.28 | 74.62 | 69.94 | 70.25 |
| Interest rate (+/- 50 basis points movement) | 75.69 | 73.15 | 71.20 | 68.93 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

Metro Cash and Carry India Private Limited

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

41 Assets and liabilities relating to employee benefits (continued)

(b) Defined benefit plans:

(ii) Gratuity

Gratuity is applicable to all permanent and full time employees of the Company. Gratuity to be paid to employees is based on the provisions of The Payment of Gratuity Act, 1972 (Gratuity Act). The entire contribution is borne by the Company. The Company recognises actuarial gains and losses as and when the same arise. The Company operates funded post retirement defined benefit plan for gratuity.

Details of the post retirement gratuity plan are as follows:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| A) Changes in the present value of defined benefit obligation | | |
| Obligations at the beginning of the year | 21.67 | 20.27 |
| Included in the Statement of Profit and Loss | | |
| - Current service cost | 2.97 | 2.64 |
| - Past service cost | 1.32 | - |
| - Interest expense | 1.37 | 0.97 |
| Included in other comprehensive income: | | |
| Add: Actuarial losses/ (gains) arising from | | |
| - changes in demographic assumptions | (0.05) | 0.48 |
| - changes in financial assumptions | (0.38) | (1.08) |
| - experience adjustments | (1.56) | 2.14 |
| Less: Benefits paid during the year | (7.82) | (3.75) |
| Obligations at the end of the year | 17.52 | 21.67 |
| B) Changes in the fair value of plan assets | | |
| Plans assets at the beginning of the year, at fair value | 0.64 | 0.64 |
| Employer contribution | 7.98 | 3.73 |
| Interest income | 0.05 | 0.04 |
| Included in other comprehensive income: | | |
| - Return on plan assets | (0.05) | (0.02) |
| Less: Benefits paid | (7.82) | (3.75) |
| Fair value of plan assets at the end of the year | 0.80 | 0.64 |
| C) Reconciliation of present value of defined benefit obligation and the fair value of plan assets to the assets and liabilities | | |
| Present value of obligation | 17.52 | 21.67 |
| Less: Fair value of plan assets | 0.80 | 0.64 |
| Amount to be recognised in the Balance Sheet | 16.72 | 21.03 |
| (Shortfall) / Excess | - | - |
| D) Expenses recognised in the Statement of Profit and Loss | | |
| Included in the Statement of Profit and Loss: | | |
| - Service cost | 4.29 | 2.64 |
| - Interest cost | 1.32 | 0.93 |
| Included in other comprehensive income: | | |
| Add: Actuarial losses/ (gains) arising from | | |
| - changes in demographic assumptions | (0.05) | 0.48 |
| - changes in financial assumptions | (0.38) | (1.08) |
| - experience adjustments | (1.56) | 2.14 |
| - Return on plan assets excluding interest income | 0.05 | 0.02 |
| | 3.68 | 5.14 |
| E) Investment details | | |
| Cash and bank | 84.18% | 76.40% |
| Others (including the assets under scheme of Insurance) | 15.82% | 23.60% |

Metro Cash and Carry India Private Limited

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

41 Assets and liabilities relating to employee benefits (continued)

(b) Defined benefit plans:

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------------|--|--|
| (ii) Gratuity (continued) | | |
| F) Assumptions | | |
| Expected salary increase per annum | 6.00% | 7.00% |
| Discount rate | 7.20% | 7.30% |
| Rate of return on plan assets | 7.20% | 7.30% |
| Average past services of employees | 3 years | 3 years |
| Mortality rate | Indian Assured Lives Mortality (2006-08) Ultimate Modified | Indian Assured Lives Mortality (2006-08) Ultimate Modified |

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Expected amount of contribution in next one year is ₹ 5.15 (March 31, 2023: ₹ 5.74)

G) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| Particulars | Year ended March 31, 2024 | | Year ended March 31, 2023 | |
|---|---------------------------|----------|---------------------------|----------|
| | Increase | Decrease | Increase | Decrease |
| Discount rate (+/- 50 basis points movement) | 17.27 | 17.77 | 21.35 | 21.99 |
| Future salary growth (+/- 50 basis points movement) | 17.73 | 17.30 | 21.94 | 21.40 |

(c) Compensated absences:

The compensated absences cover the Company's liabilities for sick and earned leaves.

The amount of provision of ₹ 3.06 (March 31, 2023: ₹ 11.42) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Leave obligation not expected to be settled within next 12 months | 0.97 | 7.95 |

Metro Cash and Carry India Private Limited

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

42 Details of Loans given, Investment made and Guarantee given covered u/s. 186(4) of the Companies Act, 2013

- a) The Company does not have any loans outstanding as at March 31, 2024.
- b) Investment made by the Company as at March 31, 2024 (Refer Note 6)

43 Financial Ratios

| Ratio/Measure | Methodology (Numerator/Denominator) | Year ended March 31, 2024 | Year ended March 31, 2023 | % Change |
|--------------------------------------|--|------------------------------|------------------------------|----------|
| a) Current ratio | Current asset / Current liability | 1.40 | 0.88 | 59.19% |
| b) Debt - equity ratio* | Total debt/ Share holders equity | 0.71 | 3.38 | -79.12% |
| c) Debt service coverage ratio* | EBIT/Current debt | -0.06 | 0.02 | -339.06% |
| d) Return on equity* | PAT/Share holders Equity | -5.89% | -23.26% | -74.67% |
| e) Inventory turnover ratio | Revenue from operation/Average Inventory | 12.47 | 14.54 | -14.25% |
| f) Trade receivables turnover ratio* | Revenue from operation/Average Trade receivables | 97.64 | 131.01 | -25.47% |
| g) Trade payables turnover ratio | Revenue from operation/Average Trade Payable | 13.55 | 17.68 | -23.36% |
| h) Net capital turnover ratio* | Revenue from operation/Average Working capital | 59.81 | (75.95) | -178.74% |
| i) Net profit %* | Net Profit /Revenue from Operation | -1.19% | -1.44% | -17.42% |
| j) EBITDA %* | EBITDA/Revenue from Operation | 0.91% | 1.35% | -32.10% |
| k) EBIT%* | EBIT/Revenue from Operations | -0.06% | 0.24% | -126.40% |
| l) Return on Capital Employed* | EBIT/Capital Employed | -0.23% | 1.25% | -118.35% |

* Note for variances

- 1 Basis change in debt position and increase in current assets. (Current ratio)
- 2 Basis change in debt position (Debt-Equity ratio) due to repayment of borrowings.
- 3 Basis change in EBIT and debt position (Debt service coverage ratio) due to repayment of debt and hence reduction in interest cost.
- 4 Basis change in PAT. (Return on equity coverage ratio)
- 5 Basis change in trade receivable position due to increase in revenue and increase in trade receivables. (Trade receivables turnover ratio)
- 6 Basis change in working capital position and increase in revenue (Net capital turnover ratio)
- 7 Basis change in EBITDA and Revenue position (EBITDA percentage)
- 8 Basis change in EBIT and Revenue position (EBIT percentage)
- 9 Basis change in capital employed position (Return on capital employed ratio)

Notes to the Financial Statements for the year ended March 31, 2024**44 Other Statutory Information**

- a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b) The Company does not have any transactions with companies struck off
- c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year
- e) The Company has not defaulted in repayment of loans, or other borrowings or payment of interest thereon to any lender.
- f) The Company has not been declared willful defaulter by any bank, financial institution, government or government authority.
- g) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year ended March 31, 2024.
- h) The Company does not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.
- i) 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:
 - (i) 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
 - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- j) 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:
 - (i) 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
 - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

45 As per the MCA notification dated August 05, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to create backup of accounts on servers physically located in India on a daily basis. The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and currently a backup is maintained on a cloud-based server. The Company is in the process of its IT migration and subsequent to which the physical server(s) on which back up of books of accounts are maintained will be located in India.

46 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961

47 Additional information as required under paragraph 5 of Part II of the Schedule III to the Act, to the extent either "Nil" or "Not applicable" has not been furnished.

48 Previous year's amounts have been reclassified/ regrouped wherever considered necessary to confirm with current year's presentation.

49 The Financial statements were approved by the Board of Directors on April 17, 2024.

Metro Cash and Carry India Private Limited

As per our Report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No.: 117366W/W-100018

Varsha A Fadte
Partner
(Membership No. 103999)

For and on behalf of the Board

Ashwin Khasgiwala
Whole-time Director
DIN: 00006481

Dinesh Taluja
Director
DIN: 08144541

Geeta Fulwadaya
Director
DIN: 03341926

Dipak C. Jain
Director
DIN: 00228513

Krishnan Sudarshan
Director
DIN: 01029826

Sachin Khopde
Chief Financial Officer

Jinal Jain
Company Secretary

Date : April 17, 2024