

Urban Ladder Home Décor Solutions Limited

**Financial Statements
2023-24**

INDEPENDENT AUDITORS' REPORT

To The Members of Urban Ladder Home Décor Solutions Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Urban Ladder Home Décor Solutions Limited("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, on that date , and notes to financial statements, including summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board'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 flows 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 Director 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.
- c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the 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 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. 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.
- g. 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.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. (Refer Note 30 to the financial statements).
 - 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 33 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 33 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 which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being 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
(Registration No.117366W/W100018)

Vishal L. Parekh
Partner
Membership No. 113918
UDIN: 24113918BKEQFX8997

Mumbai, dated: 12th April 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) 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 Urban Ladder Home Décor Solutions 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 the financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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 based on our audit. 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, the Company has, in all material respects, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Vishal L. Parekh
Partner

Membership No. 113918
UDIN: 24113918BKEQFX8997

Mumbai, dated: 12th April 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 to the members of Urban Ladder Home Décor Solutions Limited on the financial statements of the Company for the year ended 31st March 2024)

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

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
(B)The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), and hence reporting under clause 3(i)(c) of the Order is not applicable.
- (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 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories 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 book of account. Further, the Company does not have any inventory as at March 31, 2024.
- (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 and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has made investments in mutual funds (other parties). The Company has not made any investments in companies, firms, Limited Liability Partnerships.

- a) The Company has provided any loans or advances in the nature of loans or advances during the year and details of which are given below.

	Loans (in crores)
A. Aggregate amount granted / provided during the year:	
Others	0.24
B. Balance outstanding as at balance sheet date in respect of above cases:	
Others	0.25

The Company has not provided any guarantee or security to any other entity during the year.

- b) The investments made and the terms and conditions of the grant of all the above-mentioned loans and advances in the nature of loans provided, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.
- c) In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund,

Employees' State Insurance, Income-tax, duty of custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of duty of excise, value added tax and sales tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of custom, cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.

- (b) Details of the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of disputes are given below(Refer note 30 to the financial statements):

Name of Statute	Nature of Dues	Amount unpaid(Rs.In crores)	Period to which the Amount Relates	Forum where Dispute is Pending
Income Tax	Order under Section 201 and 201(1A) of the Income Tax Act, 1961 (including interest)	5.87*	2015-2018	High Court of Karnataka

*Net of Rs. 1.48 crores paid under protest

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) 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 (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 (ix)(e) of the Order is not applicable.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures or associate companies.

- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (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 (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (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 upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, 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 as required by the applicable Indian accounting standards.
- (xiv) (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 from April 2023 to March 2024.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

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

- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Vishal L. Parekh
Partner
Membership No. 113918
UDIN: 24113918BKEQFX8997

Mumbai, dated: 12th April 2024

Urban Ladder Home Décor Solutions Limited
Balance Sheet as at 31st March, 2024

	Notes	As at 31st March, 2024	₹ in crore As at 31st March, 2023
Assets			
Non-Current Assets			
Property, Plant and Equipment	3	20.36	25.70
Intangible Assets	3	0.70	0.55
Intangible Assets under development	3(a)	-	0.04
Financial Assets			
(i) Other Financial Assets	4	1.65	1.53
Deferred Tax Assets (Net)	5	7.65	7.58
Other Non- Current Tax Assets	6	10.01	16.52
Total Non-Current Assets		40.37	51.92
Current Assets			
Inventories	7	-	4.93
Financial Assets			
(i) Investments	8	6.50	16.04
(ii) Trade Receivables	9	50.66	7.04
(iii) Cash and Cash Equivalents	10	0.47	1.20
(iv) Other Financial Assets	11	0.58	0.63
Other Current Assets	12	7.66	14.70
Total Current Assets		65.87	44.54
Total Assets		106.24	96.46
Equity and Liabilities			
Equity			
Equity Share Capital	13	25.07	25.07
Other Equity	14	36.66	22.53
Total Equity		61.73	47.60
Non-Current Liabilities			
Financial Liabilities			
(i) Lease Liabilities	3.1	28.66	30.83
(ii) Other Financial Liabilities	15	0.20	0.20
Provisions	16	2.63	3.26
Total Non-Current Liabilities		31.49	34.29
Current Liabilities			
Financial Liabilities			
(ii) Lease Liabilities	3.1	2.17	1.59
(iii) Trade Payables	17		
(a) Total outstanding dues of micro enterprises and small enterprises		0.11	0.58
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		9.62	10.64
Other Current Liabilities	18	0.93	1.65
Provisions	19	0.19	0.11
Total Current Liabilities		13.02	14.57
Total Liabilities		44.51	48.86
Total Equity and Liabilities		106.24	96.46
Material Accounting Policies	2		
See Accompanying notes to the financial statements	3 to 35		

Urban Ladder Home Décor Solutions Limited

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

For and on behalf of the board

Vishal L. Parekh

Partner

Membership No: 113918

Ashwin Khasgiwala

Director

DIN: 00006481

Dated: April 12, 2024

Akhilesh Prasad

Director

DIN: 01757265

Ashish Goel

Director

DIN: 03067864

Vivek Mehta

Chief Executive Officer

Rakesh Sharma

Chief Financial Officer

Vasudevan Iyer

Company Secretary

Urban Ladder Home Décor Solutions Limited

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

	Notes	2023-24	₹ in crore 2022-23
INCOME			
Sale of products		17.90	43.91
Income from Services		161.09	183.76
Value of Sales & Services (Revenue)		178.99	227.67
Less: GST Recovered		26.89	34.59
Revenue from Operations	20	152.10	193.08
Other Income	21	2.50	3.17
Total Income		154.60	196.25
EXPENSES			
Cost of Materials Consumed	22.1	7.32	20.30
Purchase of Stock-in-Trade		8.29	18.89
Changes in Inventories of Finished Goods and Stock-in-Trade	22.2	0.72	1.48
Employee Benefits Expense	23	59.62	60.00
Finance Costs	24	4.52	6.27
Depreciation and Amortisation Expense	3	6.27	5.98
Other Expenses	25	48.95	63.15
Total Expenses		135.69	176.07
Profit Before Tax		18.91	20.18
Tax Expenses:			
Current Tax	5	4.98	0.69
Deferred Tax	5	(0.07)	(7.58)
Profit for the year after tax		14.00	27.07
Other Comprehensive Income (OCI)			
(A) Items that will not be reclassified to Profit or loss			
(i) Remeasurements of the defined benefit plans	23.1	0.13	0.28
Total Other Comprehensive Income for the Year		0.13	0.28
Total Comprehensive Income for the Year		14.13	27.35
Earnings per equity share of face value of ₹ 1 each			
Basic (in ₹) par value of ₹ 1 each	26	0.56	1.08
Diluted (in ₹) par value of ₹ 1 each	26	0.56	1.08
Significant Accounting Policies	2		
See Accompanying notes to the financial statements	3 to 35		

Urban Ladder Home Décor Solutions Limited

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

For and on behalf of the board

Vishal L. Parekh

Partner

Membership No: 113918

Ashwin Khasgiwala

Director

DIN: 00006481

Dated: April 12, 2024

Akhilesh Prasad

Director

DIN: 01757265

Ashish Goel

Director

DIN: 03067864

Vivek Mehta

Chief Executive Officer

Rakesh Sharma

Chief Financial Officer

Vasudevan Iyer

Company Secretary

Urban Ladder Home Décor Solutions Limited
Statement in Changes in Equity for year ended 31st March, 2024

A Equity Share Capital

₹ in crore

(1) Current reporting period

Balance as at 1st April 2023	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at 31st March 2024
25.07	-	-	-	25.07

(2) Previous reporting period

Balance as at 1st April 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance as at 31st March 2023
25.07	-	-	-	25.07

B Other Equity

₹ in crore

(1) Current reporting period

Particulars	Reserves & Surplus				Employee Stock Option Outstanding Reserve	Other Comprehensive Income	Total
	Deemed capital Contribution	General Reserves	Securities Premium	Retained Earnings			
Balance as at 1st April 2023	5.70	13.30	844.28	(841.03)	-	0.28	22.53
Profit for the year	-	-	-	14.00	-	-	14.00
Other comprehensive income	-	-	-	-	-	0.13	0.13
Balance as at 31st March, 2024	5.70	13.30	844.28	(827.03)	-	0.41	36.66

(2) Previous reporting period

Particulars	Reserves & Surplus				Employee Stock Option Outstanding Reserve	Other Comprehensive Income	Total
	Deemed capital Contribution	General Reserves	Securities Premium	Retained Earnings			
Balance as at 1st April 2022	5.70	13.30	844.28	(868.10)	-	-	(4.82)
Loss for the year	-	-	-	27.07	-	-	27.07
Other comprehensive income	-	-	-	-	-	0.28	0.28
Balance as at 31st March, 2023	5.70	13.30	844.28	(841.03)	-	0.28	22.53

Urban Ladder Home Décor Solutions Limited
(Formerly known as Urban Ladder Home Décor Solutions Private Limited)

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

For and on behalf of the board

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Membership No: 113918

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Company Secretary

Urban Ladder Home Décor Solutions Limited
Cash Flow Statement for year ended 31st March, 2024

	2023-24	₹ in crore 2022-23
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax as per Statement of Profit and Loss	18.91	20.18
Adjusted for:		
Gain on sale/ discarding of Property, Plant and Equipment (net)	(0.00)	(0.09)
Depreciation and Amortisation Expense	6.27	5.98
Gain on sale / change in fair value of current investments	(0.93)	(0.60)
Interest on IT Refund	(0.87)	-
Effect of Exchange Rate Change (net)	(0.02)	(0.13)
Measurement gain on financial assets		0.01
Interest Income	(0.11)	(0.13)
Reversal of warranty provision and others	(0.57)	(0.48)
Finance Costs	4.52	6.27
	8.29	10.83
Operating Profit/(Loss) before Working Capital Changes	27.20	31.01
Adjusted for:		
Decrease/(Increase) in Trade and Other Receivables	(43.61)	(7.03)
Decrease/(Increase) in Inventories	4.93	3.79
Decrease/(Increase) in Other Assets	9.31	16.48
(Decrease)/Increase in Trade and Other Payables	(2.73)	(2.05)
	(32.10)	11.19
Cash Generated from/(used in) Operations	(4.90)	42.20
Taxes (paid)/refund (net)	0.80	(4.71)
Net Cash flow from/(used in) Operating Activities	(4.10)	37.50
B: CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Intangible Assets	(1.11)	(5.68)
Proceeds from disposal of Property, Plant and Equipment and Intangible Assets	0.01	0.09
Purchase of current investments	(95.48)	(122.49)
Proceeds from sale of current investments	105.95	124.00
Interest Income	0.01	0.13
Movement in other bank balances	(0.01)	(0.01)
Net Cash Flow from/(used in) Investing Activities	9.37	(3.95)
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Borrowings - Current	-	(25.00)
Payment of Lease Liabilities	(6.00)	(6.14)
Interest Paid	(0.00)	(1.66)
Net Cash Flow (used in)/from Financing Activities	(6.00)	(32.80)
Net (Decrease)/Increase in Cash and Cash Equivalents	(0.73)	0.74
Opening Balance of Cash and Cash Equivalents	1.20	0.46
Closing Balance of Cash and Cash Equivalents	0.47	1.20

Urban Ladder Home Décor Solutions Limited

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

For and on behalf of the board

Vishal L. Parekh

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Chief Executive Officer

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Vasudevan Iyer

Company Secretary

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

1 Corporate Information

Urban Ladder Home Décor Solutions Limited (Formerly known as Urban Ladder Home Décor Solutions Private Limited) is a Company incorporated in India having registered office at No. 259 & 276, Amarjyothi HBCS Layout, Domlur, Bangalore - 560071.

The Company is inter alia engaged in the home furniture and décor business wherein it possesses capabilities in product design, sourcing, curation, quality control, testing capabilities, customer support services and after sales services. It undertakes business related support activities along with manpower capabilities to provide outsourced development of certain technology components and maintenance services. The Company has also started providing business support and platform services for furniture & decor businesses.

The Company's immediate holding Company is Reliance Retail Ventures Limited and ultimate holding Company is Reliance Industries Limited.

2 Summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation and presentation

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable. The accounting policies are applied consistently to all the periods presented in the financial statements

ii. Historical cost convention

The financial statements have been prepared on a historical cost basis except for certain assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 Inventories or value in use in Ind AS 36 Impairment of Assets.

iii. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded-off to the nearest crores as per the requirement of Schedule III, unless otherwise stated.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

iv. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known / materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(b) Revenue recognition

i. The Company derives revenues primarily from sale of traded goods and related services. Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

ii. Interest income

Interest income is reported on an accrual basis using the effective interest method and is included under the head "Other Income" in the Statement of Profit and Loss.

(c) Leases

Company as a lessee:

The Company's lease asset classes consist of leases for buildings and leasehold improvements. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the Contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception 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.

The right-of-use assets is subsequently measured at cost less accumulated depreciation, accumulated impairment losses, if any. 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. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of profit and loss.

The lease liability is initially and subsequently measured at the present value of the future lease payments that are not paid at the commencement date or at the reporting date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity. Generally, the Company uses its incremental borrowing rate as the discount rate.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

Company as a lessor:

The Company has executed sublease contracts deriving monthly rental income. In classifying a sublease, the Company shall classify the sublease as a finance lease or an operating lease as follows:

- a) if the head lease is a short-term lease, the Company has classified the sublease as an operating lease.
- b) otherwise, the sublease is classified with reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

Operating lease:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of an asset (ROU) are classified as operating leases. Assets subjected to operating leases are included in Right-to-use of assets. Lease income on an operating lease is recognised in the Statement of Profit or loss as and when received.

Finance lease:

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance lease. Assets (ROU) given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the Statement of Profit or Loss. Initial direct costs such as legal cost, brokerage costs, etc. are to be amortised over the lease term.

(d) Impairment of non-financial assets

Non- financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units). Non- financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Impairment losses previously recognised are accordingly reversed in the Statement of Profit and Loss.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(e) Income tax

Income tax expense comprises current and deferred income tax. Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax is recognised on temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside Statement Profit and Loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to setoff the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(f) Property, plant and equipment

i. Tangible assets

Property, plant and equipment are tangible items that are held for use in the production or supply for goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment shall be recognised as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Each part of item of property, plant and equipment, if material in relation to the total cost of the item, is depreciated separately. Further, parts of plant and equipment that are technically advised to be replaced at prescribed intervals/period of operation, insurance spares and cost of inspection/overhauling are depreciated separately based on their specific useful life provided these are of significant amounts commensurate with the size of the Company and scale of its operations. The carrying amount of any equipment / inspection / overhauling accounted for as separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful life as prescribed in Schedule II to the Companies Act, 2013 are considered with the management's estimate except for furniture and fixtures.

Management's estimation useful life of tangible assets is as follows:

- Furniture and fixtures*: 7 years
- Office equipment: 5 years
- Computers and peripherals: 3 years
- Plant & Machinery: 5 years
- Vehicles: 10 years

* For these classes of assets, based on internal assessment, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Pro-rata depreciation is provided on all assets purchased and sold during the year. Leasehold improvements are amortised over the period of the lease or the useful lives whichever is shorter.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

ii. Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Advances paid towards the acquisition of intangible assets outstanding at each Balance Sheet date are disclosed as other non-current assets and the cost of intangible assets not ready for their intended use before such date are disclosed as intangible assets under development.

Management's estimation useful life of intangible assets is as follows:

- Software: 3 years
- Mobile application: 3 years

(g) Inventories

Inventories are valued at lower of cost or net realisable on specific identification basis, item wise. For this purpose, the cost of bought-out inventories comprise of the purchase cost of the items, net of applicable tax / duty credits and cost of bringing such items into the factory on a weighted average basis. The net realisable value of bought out inventories is taken at their current replacement value. The cost formula followed by the Company is FIFO basis.

(h) Provision and contingent liabilities

i. Provisions

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

ii. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed 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 is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or it cannot be measured with sufficient reliability. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

iii. Contingent assets

Contingent assets are neither recognised nor disclosed. However, when realisation of income is virtually certain, related asset is recognised.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(i) Employee benefits

i. Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. The liabilities are presented as current benefit obligations in the Balance Sheet.

ii. Post employment obligations

The Company operates the following post-employment schemes:

- defined benefit plan towards payment of gratuity, and,
- defined contribution plans towards provident fund and employee state insurance.

Defined benefit plans

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement / termination of employment or death of an employee, based on the respective employees' salary and years of employment with the Company.

The liability or asset recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, if any. The present value of the defined benefit obligation is determined using projected unit credit method by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation, with actuarial valuations being carried out at the end of each annual reporting period.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets, if any. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income/ (Loss). They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Defined contribution plans

Defined contribution plans are retirement benefit plans under which the Company pays fixed contributions to separate entities (funds) or financial institutions or state managed benefit schemes. The Company has no further payment obligations once the contributions have been paid. The defined contribution plans are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Provident Fund Plan and Employee Pension Scheme: The Company makes monthly contributions at prescribed rates towards Employees' Provident Fund / Employees' Pension Scheme to a Fund administered and managed by the Government of India.

Employee State Insurance: The Company makes prescribed monthly contributions towards Employees' State Insurance Scheme.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

iii. Other long-term employee benefit obligations

Other long-term employee benefits include earned leaves.

Compensated absences

The liabilities for earned leaves are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit & loss. The obligations are presented as provisions in the balance sheet. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

(j) Financial assets

i. Classification

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through Other Comprehensive Income, or through Statement of Profit and Loss), and
- b) those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of Profit and Loss or Other Comprehensive Income. For assets in the nature of debt instruments, this will depend on the business model. For assets in the nature of equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity instrument at fair value through Other Comprehensive Income.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

ii. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. However, trade receivables which does not contain significant financing component are recognised at transaction price.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is recognised using the effective interest rate method.
- Fair value through other comprehensive income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss . When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value, except for equity investments in subsidiary where the Company has the option to either measure it at cost or fair value. The Company has opted to measure equity investments in subsidiary at cost. Where the Company's management elects to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

iii. Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss associated with its financial assets carried at amortised cost and FVTOCI debt instruments.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, Revenue from contracts with customers, the Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised after initial recognition of receivables. For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on twelve-months ECL.

ECL represents expected credit loss resulting from all possible defaults and is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original effective interest rate. While determining cash flows, cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms are also considered.

ECL is determined with reference to historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

iv. Derecognition of financial assets

A financial asset is derecognised only when:

- a) the Company has transferred the rights to receive cash flows from the financial asset; or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retained substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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

On derecognition of a financial asset other than in its entirety, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

v. Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(k) Financial liabilities and equity instruments

i. Classification

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

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial liabilities

The Company classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those measured at amortised cost.

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL, other financial liabilities are measured at amortised cost at the end of subsequent accounting periods.

ii. Measurement

Equity Instruments

Equity instruments issued by the Company are recognised at the proceeds received. Transaction cost of equity transactions shall be accounted for as a deduction from equity.

Financial liabilities

At initial recognition, the Company measures a financial liability at its fair value net of, in the case of a financial liability not measured at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability. Transaction costs of financial liability carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of financial liabilities depends on the classification of financial liabilities. There are two measurement categories into which the Company classifies its financial liabilities:

- Fair value through profit or loss (FVTPL): Financial liabilities are classified as at FVTPL when the financial liability is held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss.
- Amortised cost: Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

iii. Derecognition:

Equity instruments

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

iv. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of a financial liability.

v. Foreign Exchange gain or losses

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

(l) Offsetting financial statements

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

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(m) Fair value measurement

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities .

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(n) Earnings / (loss) per share (EPS)

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

Dilutive potential equity shares are determined independently for each period presented.

(o) Cash and cash equivalents

Cash and cash equivalent in the statement of financial position comprises cash at banks and on hand, demand deposits, short-term deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash, which are subject to an material risk of changes in value.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

(p) Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1 Employee benefit plans: The cost of the defined benefit plans and other long term employee benefits and the present value of the obligation thereon are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, attrition and mortality rates. Due to the complexities involved in the valuation and its long-term nature, obligation amount is highly sensitive to changes in these assumptions.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds. Future salary increases are based on expected future inflation rates and expected salary trends in the industry. Attrition rates are considered based on past observable data on employees leaving the services of the Company. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes.

2 Useful life and residual value of property, plant and equipment and intangible assets: The useful life and residual value of property, plant and equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

3 Evaluation of indicators for impairment of assets: The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

3 Property, Plant and Equipment , Right-of-use assets & Intangible Assets

₹ in crore

Description	Gross block				Depreciation/ Amortisation				Net block	
	As at 1st April, 2023	Additions	Deductions	As at 31st March, 2024	As at 1st April, 2023	For the year	Deductions	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Property, Plant and Equipment										
Own Assets:										
Plant and Machinery	8.97	0.21	0.03	9.15	5.92	1.33	0.02	7.23	1.92	3.05
Computers	6.47	0.18	-	6.65	2.48	1.92	-	4.40	2.25	3.99
Office Equipment's	2.61	0.17	0.00	2.78	1.89	0.25	0.00	2.14	0.64	0.72
Furniture and Fixtures	1.06	0.04	0.02	1.08	0.82	0.11	0.02	0.91	0.17	0.24
Leasehold Improvements	7.50	-	-	7.50	7.50	-	-	7.50	-	-
Sub-Total	26.61	0.60	0.05	27.16	18.61	3.61	0.04	22.18	4.98	8.00
Right-of-Use Assets (refer Note 3.1)	26.89	-	-	26.89	9.20	2.30	-	11.50	15.38	17.70
Sub-Total	26.89	-	-	26.89	9.20	2.30	-	11.50	15.38	17.70
Total (A)	53.50	0.60	0.05	54.05	27.81	5.91	0.04	33.68	20.36	25.70
Intangible Assets										
Software	3.83	0.51	0.00	4.34	3.28	0.36	-	3.64	0.70	0.55
Total (B)	3.83	0.51	0.00	4.34	3.28	0.36	-	3.64	0.70	0.55
Total (A+B)	57.33	1.11	0.05	58.39	31.09	6.27	0.04	37.32	21.06	26.25

Intangible Assets under development (IAUD) -

Previous Year

Description	Gross block				Depreciation/ Amortisation				Net block	
	As at 1st April, 2022	Additions	Deductions	As at 31st March, 2023	As at 1st April, 2022	For the year	Deductions	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
Property, Plant and Equipment										
Own Assets:										
Plant and Machinery	8.88	0.63	0.54	8.97	5.01	1.45	0.54	5.92	3.05	3.87
Computers	5.81	3.68	3.02	6.47	4.11	1.39	3.02	2.48	3.99	1.70
Office Equipment's	2.17	0.68	0.24	2.61	1.86	0.26	0.23	1.89	0.72	0.30
Furniture and Fixtures	1.02	0.04	-	1.06	0.71	0.11	-	0.82	0.24	0.31
Leasehold Improvements	7.50	-	-	7.50	7.50	-	-	7.50	-	-
Sub-Total	25.38	5.03	3.80	26.61	19.19	3.21	3.79	18.61	8.00	6.18
Right-of-Use Assets (refer Note 3.1)	28.37	-	1.48	26.89	8.07	2.61	1.48	9.20	17.70	20.30
Sub-Total	28.37	-	1.48	26.89	8.07	2.61	1.48	9.20	17.70	20.30
Total (A)	53.75	5.03	5.28	53.50	27.26	5.82	5.27	27.81	25.70	26.48
Intangible Assets										
Software	3.22	0.61	0.00	3.83	3.12	0.16	-	3.28	0.55	0.10
Total (B)	3.22	0.61	0.00	3.83	3.12	0.16	-	3.28	0.55	0.10
Total (A+B)	56.97	5.64	5.28	57.33	30.38	5.98	5.27	31.09	26.25	26.58

Intangible Assets under development (IAUD) 0.04

Note:

No Property, Plant & Equipment's & Intangible Assets have been revalued during the current financial year

3(a) Intangible Assets under development aging schedule

₹ in crore

Intangible Assets under development aging schedule on 31st March, 2024					
Particulars	<1 Year	1-2 Years	2-3 Years	>3 Years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<i>Previous year</i>	0.04	-	-	-	0.04

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

3.1 Where the Company is the lessee:

The Company has executed leasing agreements for cancellable and non-cancellable term for its warehouse and office premises. The cancellable leases are generally for a period of 11 months and may be extended on mutual agreement. The non-cancellable lease period ranges from 11-36 months. The leases carry an escalation clause ranging from 5%-10% increase in annual rents.

There are no restrictions imposed by lease arrangements.

a Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	₹ in crore Buildings / Premises
As at 31 March 2022	20.30
Additions	-
Depreciation expenses	(2.61)
As at 31 March 2023	17.70
Additions	-
Depreciation expenses	(2.30)
As at 31 March 2024	15.38

b Set out below are the carrying amounts of lease obligation and the movements during the year:

Particulars	₹ in crore Buildings / Premises
As at 31 March 2022	33.97
Additions	-
Accretion of interest	4.59
Payment	(6.14)
As at 31 March 2023	32.42
Additions	-
Accretion of interest	4.41
Payment	(6.00)
As at 31 March 2024	30.83

c The effective interest rate for lease obligation is 14%, with maturity between 2022-30.

Particulars	As at 31st March, 2024	₹ in crore As at 31st March, 2023
Lease payments		
Not later than one year	6.30	6.67
Later than one year and not later than five years	28.53	27.51
Later than five years	13.59	21.25
Total	48.42	55.43

d Amount recognised in Statement of Profit and Loss

	₹ in crore For the year ended 31st March, 2024	₹ in crore For the year ended 31st March, 2023
Depreciation on right of use assets	2.30	2.61
Interest on lease obligation	4.41	4.61
Expenses relating to short term leases	1.56	2.01

e Amount recognised in Statement of Cash Flows under financing activity

	₹ in crore For the year ended 31st March, 2024	₹ in crore For the year ended 31st March, 2023
Total cash outflow for leases		
- Principal	10.41	1.53
- Interest	4.41	4.61

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

	As at 31st March, 2024	₹ in crore As at 31st March 2023
4 Others Financial Assets (Unsecured and Considered Good)		
Security Deposits	1.52	1.42
Other Deposits	0.13	0.11
Total	1.65	1.53
5 Taxation		
Current tax		₹ in crore
Income tax recognised in the statement of Profit or Loss	2023-24	2022-23
Current tax	4.98	0.69
Deferred Tax	(0.07)	(7.58)
Total Income tax expenses Recognised in the Current Year	4.91	(6.89)
The Income Tax expenses for the year can be reconciled to the accounting profit as follows:		
Particulars		
Profit Before Tax	18.91	20.18
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expenses	4.76	5.08
Tax Effect of:		
Expenses / (Income) disallowed	3.09	2.93
Items Allowed	(2.87)	(1.65)
Carried Forward Losses/Depreciation Utilised	-	(5.60)
Others	-	(0.07)
Current Tax Provision (A)	4.98	0.69
Incremental Deferred tax Liability / (Asset) on account of PPE,IAUD and Intangible Assets	(0.62)	1.43
Incremental Deferred tax Liability / (Asset) on account of Financial Assets and Other items	0.55	(9.01)
Deferred Tax Provision (B)	(0.07)	(7.58)
Tax Expenses Recognised in Statement of Profit and Loss (A+B)	4.91	(6.89)
Effective Tax Rate	25.96%	(34.14%)

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

Deferred Tax

Deferred Tax Assets (Net)	As at 31st March, 2024	₹ in crore As at 31st March 2023
Component of Deferred Tax Assets/ (Liabilities):		
Deferred Tax Assets (Net)	8.46	9.01
Deferred Tax Liabilities (Net)	0.81	1.43
Net Deferred Tax Assets/ (Liabilities)	7.65	7.58

We use judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profit and business development.

	₹ in crore	
Deferred Tax Liabilities (Net) in Relation to:		
Property, Plant and Equipment and Other Intangible Asset	0.81	1.43
Deferred Tax Liabilities (Net)	0.81	1.43
Deferred Tax Assets (Net) in Relation to:		
Provisions		
-Gratuity	0.42	0.50
-Leave Encashment	0.28	0.35
Lease liabilities	7.76	8.16
Deferred Tax Assets (Net)	8.46	9.01
Net Deferred Tax Assets / (Liabilities)	7.65	7.58

Unused Tax Losses for which no deferred tax asset has been recognised as on 31st March 2023

Nature of loss/allowance	Pertains to	Amount	Expiry date
Depreciation loss	AY 2015-16	0.26	-
Depreciation loss	AY 2016-17	2.67	-
Depreciation loss	AY 2017-18	4.15	-
Depreciation loss	AY 2018-19	2.66	-
Depreciation loss	AY 2019-20	3.20	-
Depreciation loss	AY 2020-21	2.77	-
Business loss	AY 2021-22	3.95	AY 2029-30
Depreciation loss	AY 2021-22	2.59	-
Business loss	AY 2022-23	0.00	
Depreciation loss	AY 2022-23	0.00	

Urban Ladder Home Décor Solutions Limited

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

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
6 Other Non- Current Tax Assets <i>(Unsecured and Considered Good)</i>		
Advance Income Tax Net of Provision	10.01	16.52
Total	10.01	16.52

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
6.1 Advance Income Tax (TDS and TCS)		
At beginning of the year	16.52	12.51
Charge for the year	(4.98)	(0.69)
Net Tax paid/(received) during the year (TDS)	(1.53)	4.70
At end of year	10.01	16.52

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
7 Inventories <i>(Valued at lower of cost or net realisable value)</i>		
Raw Materials	-	4.22
Finished Goods	-	0.18
Stock-in-Trade ⁽ⁱ⁾	-	0.53
Total	-	4.93

(i) Includes goods in transit of as at 31st March, 2024 NIL (31 March, 2023 NIL)

Inventory write downs are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. These write-downs were recognised as an expense and included in 'Changes in inventories of finished goods and stock-in-trade' in the Statement of Profit and Loss.

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
8 Current Investments		
Investments Measured at Fair Value Through Profit or Loss *		
Profit and Loss (FVTPL) *		
Investment in Mutual Funds -In Units - Unquoted	6.50	16.04
Total of Investments Measured at Fair Value Through Profit or Loss	6.50	16.04

Aggregate Value of Unquoted Investment

6.50 16.04

* 22,922 Units of UTI Liquid Fund (Formerly UTI Liquid Cash Plan) - Direct Plan Growth for FY ending 2024
(38,515 Units of HDFC liquid - DP - Growth Option for FY ending 2023)

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

	₹ in crore
9 Trade Receivables	As at
	As at
	31st March, 2024 31st March, 2023
<i>(Unsecured and Considered Good)</i>	
Trade receivables	50.66 7.04
Other receivables	- -
Total	50.66 7.04

Trade Receivables Ageing as at 31st March, 2024:

₹ in crore

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 Months	6 months-1 year *	1-2 years	2-3 years	>3 years	
(i) Undisputed Trade receivables considered good	-	50.65	0.01	-	-	-	50.66
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	-	50.65	0.01	-	-	-	50.66

* Trade Receivables due between 6 months -1 year : ₹ 58,068

Trade Receivables Ageing as at 31st March, 2023:

₹ in crore

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 Months	6 months-1year*	1-2 years	2-3 years	>3 years	
(i) Undisputed Trade receivables considered good	-	7.04	0.00	-	-	-	7.04
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	-	7.04	0.00	-	-	-	7.04

* Trade Receivables due between 6 months -1 year : ₹ 7,091

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

		₹ in crore	
		As at	As at
10	Cash & Cash Equivalents	31st March, 2024	31st March, 2023
	Cash on Hand	-	-
	Balances with banks		
	- in current account	0.28	1.02
	- others (fixed deposits) ⁽ⁱ⁾	0.19	0.18
	Total	0.47	1.20

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

(i) Includes fixed deposits held with banks as at 31st March, 2024 ₹ 0.19 crores (previous year ₹ 0.18 crores) with maturity within 12 months of the reporting date

		₹ in crore	
		As at	As at
11	Other Financial Assets	31st March, 2024	31st March, 2023
	Interest accrued but not due #	0.00	0.00
	Security Deposits	0.58	0.63
	Total	0.58	0.63

As at 31st March, 2024 - Rs. 14,391 (31st March, 2023- ₹ 13,541)

		₹ in crore	
		As at	As at
12	Other Current Assets (Unsecured and Considered Good)	31st March, 2024	31st March, 2023
	Balance with Customs and GST authorities	5.11	10.23
	Advances to suppliers	0.07	0.73
	Prepaid expenses	1.40	2.26
	Prepaid expenses (Fair Valuation of Security Deposit)	0.75	0.86
	Employee advance	0.25	0.57
	Other Advances	0.08	0.05
	Total	7.66	14.70

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

		As at	₹ in crore
		31st March, 2024	As at 31st March, 2023
13	Share Capital		
	Authorised:		
	30,00,00,000 Equity shares of ₹ 1 each	30.00	30.00
	As on 31st March 2023 (30,00,00,000)		
	Total	<u>30.00</u>	<u>30.00</u>
	Issued, Subscribed and Paid-Up:		
	25,07,09,292 Equity shares of ₹ 1 each	25.07	25.07
	As on 31st March 2023 (25,07,09,292)		
	Total	<u>25.07</u>	<u>25.07</u>

13.1 Out of the above, 25,07,09,292 equity shares of ₹ 1 each fully paid-up are held by Reliance Retail Ventures Limited, the Holding Company along with its nominees.

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

Name of the Shareholders	Number of Shares	As at		As at	
		31st March, 2024	% held	31st March, 2023	% held
Reliance Retail Ventures Limited along with its nominees	25,07,09,292	100.00%	25,07,00,639	99.99%	

13.3 Shareholding of Promoters :

As at 31st March, 2024

Promoter's Name and Class of equity share	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% of change during the year
Reliance Retail Ventures Limited <i>Fully paid-up equity shares of ₹1 each</i>	25,07,00,639	8,653	25,07,09,292	100.00%	0.00%

As at 31st March, 2023

Promoter's Name and Class of equity share <i>(in absolute no's)</i>	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	% of total shares	% of change during the year
Reliance Retail Ventures Limited <i>Fully paid-up equity shares of ₹1 each</i>	25,06,91,985	8,654	25,07,00,639	99.99%	0.00%

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

Particulars	As at	As at
	31st March, 2024	31st March, 2023
	No. of shares	No. of shares
Equity Shares outstanding at the beginning of the year	<u>25,07,09,292</u>	<u>25,07,09,292</u>
Equity Shares outstanding at the end of the year	<u>25,07,09,292</u>	<u>25,07,09,292</u>

13.5 Rights, preferences and restrictions attached to Shares: Equity shares

The company has only one class of equity shares having par value of ₹1 per share. The holder of the equity shares is entitled to dividend rights and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the company. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company in the same proportion as the capital paid-up on the equity shares held by them bears to the paid-up equity shares capital of the company.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

14 Other Equity

₹ in crore

	As at 31st March, 2024	As at 31st March, 2023
Securities Premium Reserve		
Balance as at beginning of year	844.28	844.28
Balance as at year end	844.28	844.28
Deemed capital Contribution		
Balance as at beginning of year	5.70	5.70
Balance as at year end	5.70	5.70
Retained Earnings		
Balance as at beginning of year	(840.75)	(868.10)
Add: Profit/ (loss) for the year	14.13	27.35
Balance as at year end	(826.62)	(840.75)
General Reserves		
Balance as at beginning of year	13.30	13.30
Balance as at year end	13.30	13.30
Total	36.66	22.53

Nature and purpose of reserves

(i) Securities premium

Securities premium is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act 2013.

(ii) Deemed capital contribution

Capital contribution represents the amount paid by the Holding Company towards settlement of the Employee Stock Option Plans and one-time bonus to employees.

(iii) Deficit in the Statement of Profit and Loss

Represents the accumulated losses of the Company

(iv) General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

15 Other Financial Liabilities - Non Current

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
Security Deposits	0.20	0.20
Total	0.20	0.20

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
Provision for Gratuity (Refer Note 23.1)	1.60	1.91
Provision for Compensated absences (Refer Note 23.1)	1.03	1.35
Total	2.63	3.26

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

17 Trade payables

	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises^	0.11	0.58
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	9.62	10.64
Total	9.73	11.22

Ageing Schedule as on 31st March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	0.11	-	-	-	-	0.11
(ii) Others	9.62	-	-	-	-	9.62
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	9.73	-	-	-	-	9.73

Ageing Schedule as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years *	2-3 years	> 3 years	
(i) MSME	0.58	-	-	-	-	0.58
(ii) Others	9.80	0.36	0.00	-	0.48	10.64
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	10.38	0.36	0.00	-	0.48	11.22

* Trade payable due between 1 -2 years : ₹ 3,744

Note:

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMEDA). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the year end has been made in the financials statements based on information received and available with the Company.

Particulars	₹ in crore	
	As at	As at
	31st March, 2024	31st March, 2023
i. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year is as follows:		
- Principal	-	-
- Interest	-	-
ii. The amount of interest paid by the Company along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
iii. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMEDA.	-	-
iv. The amount of interest accrued and remaining unpaid at end of the year	-	-
v. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

^ There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2024.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

	As at	₹ in crore
	31st March, 2024	As at 31st March, 2023
18 Other Current Liabilities		
Statutory Dues	0.87	1.56
Dues to Employees	0.06	0.09
Total	0.93	1.65

	As at	₹ in crore
	31st March, 2024	As at 31st March, 2023
19 Provisions - Current		
Provision for Gratuity (Refer Note 23.1)#	0.09	0.06
Provision for Compensated absences (Refer Note 23.1)	0.10	0.05
Provision for Warranty##	-	-
Total	0.19	0.11

The provision for employee benefit includes gratuity and vested long service leave entitlement accrued and compensation claims made by employees.

	As at	₹ in crore
	31st March, 2024	As at 31st March, 2023
## Movement in provision for warranty		
Balance as at the beginning of the year	-	0.48
Provision recognised during the year	-	-
Amount reversed during the year	-	(0.48)
Balance as at the end of the year	-	-

There is no direct customer Sales, hence warranty provision no longer is required.

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

20	Revenue from Operations*	₹ in crore	
		2023-24	2022-23
	Sale of products	15.37	37.35
	Income from Services (Platform Fees and Business Support Services)	136.73	155.73
	Total	152.10	193.08
	* Net of GST Recovered		
21	Other Income	₹ in crore	
		2023-24	2022-23
	Interest		
	- fixed deposits	0.01	0.01
	- security deposits (Valuation adjustment)	0.11	0.12
	Other gains		
	Net profit on sale/redemption of current investments	0.93	0.60
	Net fair value gain on financial assets	-	(0.01)
	Gain on Sale of Assets	0.01	-
	Foreign Exchange Gain	0.02	0.13
	Reversal of Warranty provision	-	0.48
	Interest Income on IT refund	0.87	-
	Others	0.55	1.84
	Total	2.50	3.17
22.1	Cost of materials consumed	₹ in crore	
		2023-24	2022-23
	Raw Materials at the beginning of the year	4.22	6.52
	Add: Purchases	3.10	18.00
	Raw Materials at the end of the year	-	(4.22)
	Total cost of materials consumed	7.32	20.30
22.2	Changes in Inventories of Finished Goods and Stock-in-Trade Inventories at the end of the reporting period	₹ in crore	
		2023-24	2022-23
	Finished Goods and Stock-in-Trade	-	0.72
	Inventories at the beginning of the reporting period		
	Finished Goods and Stock-in-Trade	0.72	2.20
	Total	0.72	1.48

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

		₹ in crore	
23	Employee Benefits Expense	2023-24	2022-23
	Salaries and Wages	56.33	54.79
	Contribution to Provident & other funds (refer note 23.1)	1.36	1.39
	Leave encashment	0.29	0.53
	Gratuity (refer note 23.1)	0.66	0.80
	Staff Welfare Expenses	0.98	2.49
	Total	59.62	60.00

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

A Defined Contribution Plan

Contribution to defined contribution plan, recognised as expenses for the year is as under:

		₹ in crore	
Particulars		2023-24	2022-23
	Employer's Contribution to Provident Fund	1.36	1.33

The Company's Provident Fund is exempted under section 17 of Employee's Provident Fund and Miscellaneous Provisions Act, 1952.

B Defined Benefit Plans

The Company operates post retirement benefit plans as follows:

I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation

		₹ in crore	
		Gratuity(unfunded)	
Particulars		2023-24	2022-23
	Defined Benefit Obligation at beginning of the year	1.97	1.47
	Current Service Cost	0.49	0.70
	Interest Cost	0.15	0.10
	Actuarial (Gain)/ Loss	(0.13)	(0.28)
	Benefits Paid	(0.79)	(0.02)
	Defined Benefit Obligation at year end	1.69	1.97

II. Reconciliation of Fair Value of Assets and Obligations

		₹ in crore	
		Gratuity(unfunded)	
Particulars		2023-24	2022-23
	Fair Value of Plan Assets	-	-
	Present Value of Obligation	1.69	1.97
	Amount recognised in Balance Sheet Surplus / (Deficit)	(1.69)	(1.97)

Urban Ladder Home Décor Solutions Limited
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Particulars	₹ in crore	
	Gratuity(unfunded)	
	2023-24	2022-23
In Income Statement		
Current Service Cost	0.49	0.70
Interest Cost	0.15	0.10
Net Cost	0.64	0.80
In Other Comprehensive income		
Actuarial (Gain)/ Loss	(0.13)	(0.28)
Net (Income)/ Expense for the period recognised in OCI	(0.13)	(0.28)

IV. Actuarial Assumptions

Particulars	Gratuity(unfunded)	
	2023-24	2022-23
Discount Rate (per annum)	7.23%	7.60%
Rate of Escalation in Salary (per annum)	6.00%	6.00%
Attrition rate	7%	3%
Funding mechanism	Unfunded	Unfunded
Mortality	Indian Assured Lives Mortality [2012-14] Ultimate	Indian Assured Lives Mortality [2012-14] Ultimate

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

The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2022-23

V. Expected future cash outflows towards the plans are as follows:

	₹ in crore	
	As at	As at
	2023-24	2022-23
Year 1	0.09	0.06
Year 2-5	0.55	0.33
Year 6-10	0.77	0.57
More than 10 years	2.85	6.37

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

VI. Average Duration of Defined Benefit Obligations 11 years 15 years

Defined contribution plan:

The Company provides benefits in the nature of defined contribution plans viz, provident fund and employee state insurance scheme for qualifying employees. Under these Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company recognised ₹1.36 crores (31 March 2023: ₹ 1.39 crores) towards contribution for mentioned funds in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

VII. Sensitivity analysis

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit which are as follows:

Interest Rate Risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of liability (as shown in financial statements).

Liquidity Risk: This is the risk that the Company is not able to meet the short term benefit payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk: The present value of the above benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase in salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

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

Gratuity

Particulars	Year ended 31 March 2024	
	Increase	Decrease
Discount Rate (- / + 0.5%)	(4.90)	5.40
Salary Growth Rate (- / + 0.5%)	5.40	(5.00)
	Year ended 31 March 2023	
Discount Rate (- / + 0.5%)	(6.80)	7.50
Salary Growth Rate (- / + 0.5%)	7.50	(6.90)

Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

C Compensated Absenses

Particulars	Actuarial Assumptions	
	2023-24	2022-23
Discount Rate (per annum)	7.23%	7.60%
Rate of Escalation in Salary (per annum)	6.00%	6.00%
Retirement Age	58 years	58 years
Mortality Rate (% of IALM 2012-14))	100.00%	100.00%
Attrition rate	7%	3%
Rate of Leave Availment	100%	100%

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

		₹ in crore	
24 Finance Costs		2023-24	2022-23
Interest on Inter Corporate Deposit from related parties		0.00	1.53
Interest on security deposits as per Ind AS 109		0.11	0.13
Interest on lease liability		4.41	4.61
Total		4.52	6.27

		₹ in crore	
25 Other Expenses		2023-24	2022-23
Warehousing and Distribution Expenses		24.40	28.66
Information technology expenses		7.19	11.88
Professional Fees		2.20	5.43
Repairs & Maintenance		2.74	4.94
Travelling and Conveyance Expenses		1.62	2.70
Sales Promotion and Advertisement Expenses		2.67	2.14
Rent		1.56	2.01
Manpower Charges		3.38	1.91
General Expenses		0.65	1.14
Electricity Expenses		0.85	0.89
Rates and Taxes		1.16	0.51
Commission & Brokerage		-	0.41
Office Maintenance		0.18	0.20
Payment to Auditors (refer note 25.1)		0.18	0.17
Payment Gateway Charges		-	0.08
Director's Sitting Fees		0.08	0.07
Bank Charges		0.02	0.01
Donation To Others-CSR(refer note 25.2)		0.07	-
Total		48.95	63.15

		₹ in crore	
25.1 Payment to Auditors as:		2023-24	2022-23
- Statutory Audit Fees		0.18	0.17
		0.18	0.17

25.2 Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is Rs. 0.07 Crore

(b) Expenditure related to Corporate Social Responsibility is Rs. 0.07 crore.

		₹ in crore	
Particulars		2023-24	2022-23
Art, Culture, Heritage and Urban Renewal		0.07	-
		0.07	-

(c) Rs. 0.07 crore contributed to Reliance Foundation which is related party

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

26 Earnings Per Share (EPS)

Amount in ₹

	2023-24	2022-23
Face Value per Equity Share (₹)	1	1
Basic Earnings per Share (₹)	0.56	1.08
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (in crores)	14.00	27.07
Weighted average number of equity shares used as denominator for calculating EPS	25,07,09,292	25,07,09,292
Diluted Earnings per Share (₹)	0.56	1.08
Net Profit as per Profit and Loss Statement attributable to Equity Shareholders (in crores)	14.00	27.07
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	25,07,09,292	25,07,09,292
Reconciliation of weighted average number of shares outstanding		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	25,07,09,292	25,07,09,292
Total Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	25,07,09,292	25,07,09,292

Urban Ladder Home Décor Solutions Limited

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

27 Financial Instruments

Valuation Methodology

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

- The fair value of investment in unquoted Mutual Funds is measured at quoted price or NAV.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy:

₹ in crore

	As at 31st March, 2024				As at 31st March, 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	50.66	-	-	-	7.04	-	-	-
Cash and Bank Balances	0.47	-	-	-	1.20	-	-	-
Other Financial Assets	2.23	-	-	-	2.16	-	-	-
At FVTPL								
Investments	6.50	6.50	-	-	16.04	16.04	-	-
Financial Liabilities								
At Amortised Cost								
Borrowings	-	-	-	-	-	-	-	-
Lease Liabilities	30.83	-	-	-	32.42	-	-	-
Trade Payables	9.73	-	-	-	11.22	-	-	-
Other Financial Liabilities	0.20	-	-	-	0.20	-	-	-

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

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).

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Foreign Currency Risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk which result from both its operating and investing activities.

The Company is exposed to foreign exchange risk through its purchases from overseas supplier. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the rupee appreciates/ depreciates against these currencies.

Foreign currency denominated financial assets and liabilities which expose the Company to currency risk are disclosed below. These include unhedged foreign currency exposures.

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

(i) Foreign Currency Exposure

	As at 31st March, 2024			As at 31st March 2023		
	USD	AUD	CNY	USD	AUD	CNY
	Trade Payables	-	-	-	0.04	-
Net Exposure	-	-	-	0.04	-	-

₹ in crore

Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the ₹ against the relevant foreign currencies. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where ₹ strengthens 1% against the relevant currency. For a 1% weakening of ₹ against the relevant currency, there would be a comparable impact on profit or equity, and the balances below would be negative.

Particulars	As at 31st March, 2024			As at 31st March 2023		
	USD	AUD	CNY	USD	AUD	CNY
	Increase	-	-	-	0.00	-
Decrease	-	-	-	(0.00)	-	-

₹ in crore

Interest Rate risk

i. Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Price risk

i. Exposure

The Company's exposure to price risk arises from investments held and classified in the Balance Sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii. Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period:

Impact on profit after tax	As at 31st March, 2024		As at 31st March 2023	
Mutual funds				
Net asset value- Increase by 1%		0.06		0.16
Net asset value- decrease by 1%		(0.06)		(0.16)

₹ in crore

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

₹ in crore							
<u>Maturity Profile of Loans and Financial Liabilities as on 31st March, 2024</u>							
Liquidity Risks^ Loans	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Current - Unsecured	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Lease Liabilities	1.55	1.55	3.20	13.57	14.96	13.59	48.42

₹ in crore							
<u>Maturity Profile of Loans and Financial Liabilities as on 31st March, 2023</u>							
Liquidity Risks^ Loans	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Current - Unsecured	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Lease Liabilities	1.64	1.64	3.39	13.27	14.25	21.25	55.44

^ Does not include Trade Payables ₹ 9.73 crores (Previous year ₹ 11.22 crores) and other payables ₹ 0.94crores (Previous year ₹ 1.66 crores)

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

28 Related Party Disclosures :

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

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Retail Ventures Limited	Holding Company
3	Reliance Retail Limited	Fellow Subsidiary
4	Jio Haptik Technologies Limited	Fellow Subsidiary
5	Reliance Projects and Property Management Services Limited	Fellow Subsidiary
6	Reliance Jio Infocomm Limited	Fellow Subsidiary
7	Gosprint Logistics Private Limited	Company in which Director of Subsidiaries of RIL or his relatives is a member or director
8	Ashish Goel (Whole Time Director till 16th Jan 2024, Director wef 17th Jan 2024)	Key Managerial Personnel
9	Rakesh Sharma (Chief Financial Officer)	Key Managerial Personnel
10	Ramya Krishna S (Company Secretary: upto 3rd March 2023)	Key Managerial Personnel
11	Priyasha Sehgal (Company Secretary: wef 17th April 2023 to 31st May 2023)	Key Managerial Personnel
12	Vasudevan Iyer (Company Secretary: wef 16th October 2023)	Key Managerial Personnel

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

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

Sr. No.	Nature of Transactions	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Company in which Director of Subsidiaries of RIL or his relatives is a member or director	Key Managerial Personnel	Total
							₹ in crore
1	Inter corporate deposits/(repaid)	-	-	-	-	-	-
		-	(25.00)	-	-	-	(25.00)
2	Purchase of Assets	-	-	0.02	-	-	0.02
		-	-	-	-	-	-
3	Sale of products	-	-	15.26	-	-	15.26
		-	-	34.83	-	-	34.83
4	Income from services	-	-	136.73	-	-	136.73
		-	-	155.72	-	-	155.72
5	Purchases	-	-	1.96	-	-	1.96
		-	-	3.09	-	-	3.09
6	Expenditure						
a)	Professional Fees	-	-	-	-	-	-
		-	-	0.60	-	-	0.60
b)	Finance Cost	-	0.00	-	-	-	0.00
		-	1.53	-	-	-	1.53
b)	General Expenses*	-	-	0.14	0.26	-	0.40
		-	0.00	0.08	-	-	0.08
c)	Employees Benefits Expense	-	-	-	-	-	-
		-	-	0.06	-	-	0.06
d)	Payment to Key Managerial Personnel	-	-	-	-	3.50	3.50
		-	-	-	-	3.06	3.06
7	Balance as at 31st March, 2024						
a)	Share Capital	-	25.07	-	-	-	25.07
		-	25.07	-	-	-	25.07
b)	Trade and Other Receivables	-	-	50.66	-	-	50.66
		-	-	6.54	-	-	6.54
c)	Trade and Other Payables	-	-	0.00	0.01	-	0.01
		-	-	-	-	-	-

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

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

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

Sr.No	Particulars	Relationship	2023-24	₹ in crore 2022-23
1	Purchase of Property Plant & Equipment/ Project Materials			
	Reliance Retail Limited	Fellow Subsidiaries	0.00	-
	Reliance Projects & Property Management Services Limited	Fellow Subsidiaries	0.02	
2	Revenue from Operations			
	Reliance Retail Limited	Fellow Subsidiaries	151.99	190.55
3	Purchases			
	Reliance Retail Limited	Fellow Subsidiaries	1.96	3.09
4	Expenditure			
a)	Professional Fees			
	Reliance Retail Limited	Fellow Subsidiaries	-	0.60
b)	Employee Benefit Expenses			
	Reliance Retail Limited	Fellow Subsidiaries	-	0.06
c)	General Expenses			
	Jio Haptik Technologies Limited	Fellow Subsidiaries	0.14	0.08
	Reliance Retail Limited	Fellow Subsidiaries	-	0.00
	Reliance Jio Infocomm Limited	Fellow Subsidiaries	0.00	-
	Gosprint Logistics Private Limited	Company in which Director of Subsidiaries of RIL or his relatives is a member or director	0.26	-
	Reliance Retail Venture Limited	Holding Company	-	0.00
d)	Finance Cost			
	Reliance Retail Venture Limited	Holding Company	0.00	1.53
e)	Payment to Key Managerial Personnel			
	Ashish Goel	Key Managerial	2.92	2.48
	Rakesh Sharma	Key Managerial	0.49	0.48
	Ramya Krishna S	Key Managerial	-	0.10
	Vasudevan Iyer	Key Managerial	0.08	-
	Priyasha Sehgal	Key Managerial	0.01	-
5	Inter corporate deposits/(repaid)			
	Reliance Retail Venture Limited	Holding Company	-	(25.00)
28.1	Compensation of Key Managerial Personnel #			₹ in crore
	Short-term benefits		-	3.03
	Post employment benefits		-	0.03

This is without considering actuarial numbers

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

₹ in crore

29	Ratios	2023-24	2022-23	Variance %
i	Current Ratio	5.06	3.06	66%
ii	Debt-Equity Ratio	-	-	0%
iii	Debt Service Coverage ratio	5.19	0.85	514%
iv	Return on Equity Ratio	0.26	0.80	(68%)
v	Inventory Turnover Ratio	25.13	13.97	80%
vi	Trade Receivables Turnover Ratio	5.27	54.69	(90%)
vii	Trade Payable Turnover Ratio	6.17	8.29	(26%)
viii	Net Capital Turnover Ratio	2.88	7.60	(62%)
ix	Net Profit Ratio	0.09	0.14	(34%)
x	Return on Capital Employed	0.24	0.80	(70%)
xi	Return on Investment	0.21	0.18	13%

Reasons for variance more than 25%

- i Current Ratio improved since borrowing has been repaid during the previous year
- ii Debt Service Coverage Ratio decreased because there was no borrowing during the year
- iii Return on Equity Ratio decreased on account of decrease in the profit during the year
- iv Inventory Turnover Ratio increased on account of higher sale and lower stock in hand
- v Trade Receivables turnover ratio decreased due to increase in receivables.
- vi Trade Payable Turnover Ratio decreased on account of timely payment to creditors
- vii Net Profit Ratio % ratio reduced primarily due to reduction in revenue
- ix Return on Capital Employed decreased due to reduced profit during the year
- x Return on Investment increased since during the current year

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

Note	2023-24	2022-23
i		
Current Asset	65.87	44.54
Current Liability	13.02	14.57
Current Ratio	5.06	3.06
ii		
Total Debt	-	-
Total Equity	61.73	47.60
Debt-Equity Ratio	-	-
iii		
Earnings before Interest, Tax and Exceptional Items	23.43	26.44
Interest Expense + Principal Repayments made during the period for long term loans	4.52	31.27
Debt Service Coverage Ratio	5.19	0.85
iv		
Profit After Tax (Attributable to Owners)	14.00	27.07
Average Net Worth (Total assets- total liability)	54.67	33.92
Return on Equity Ratio	0.26	0.80
v		
Cost of Goods Sold (Purchases+opening inventory- closing inventory)	9.00	20.38
Average Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	0.36	1.46
Inventory Turnover Ratio	25.13	13.97
vi		
Value of Sales & Services	152.10	193.08
Average Trade Receivables	28.85	3.53
Trade Receivables Turnover Ratio	5.27	54.69
vii		
Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses	64.56	102.35
Average Trade Payables	10.47	12.35
Trade Payable Turnover Ratio	6.17	8.29
viii		
Value of Sales & Services (net of GST)	152.10	227.67
Working Capital (Current Assets - Current Liabilities)	52.85	29.96
Net Capital Turnover Ratio	2.88	7.60
ix		
Profit After Tax	14.00	27.07
Value of Sales & Services	152.10	193.08
Net Profit Ratio	0.09	0.14
x		
Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-)	20.92	23.28
Other Income (-) Share of Profit / (Loss) of Associates and Joint Ventures		
Average Capital Employed	87.55	29.10
Return on Capital Employed	0.24	0.80
Opening Capital Employed	81.89	27.85
Closing Capital Employed	93.22	30.36
xi		
Other Income (Excluding Dividend)	2.50	3.17
Average Cash, Cash Equivalents & Other Marketable Securities	12.10	17.32
Return on Investment	0.21	0.18

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

29.1 Formulae for computation of ratios are as follows:

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

Urban Ladder Home Décor Solutions Limited
Notes to the Financial Statements for year ended 31st March, 2024

32 Segment reporting

Until 14 December 2017, the company was engaged in maintaining and operating a web-based online market place service provider which provides service of logistics, delivery, payment gateway intermediary services and warehousing along with the platform to sell furniture, furnishing and related products. During the year ended 31 March 2018, the Company obtained an approval for operating under a single brand and adopting the business model of a Single Brand Retail Trading (SBRT). Effective, 15th August 2017, the Company changed its business model from being an online market place service provider and commenced operating as a retail seller (online and offline). The above broadly forms part of one product group and hence constitute a single business segment. The Company did not have multiple segments operating during the current year and previous year.

The Company is domiciled in India and all its non-current assets are located in / relates to India. Neither does the Company export goods outside India nor does it have presence outside India.

33 MCA notification dated 24th March 2021 for amendments to Schedule III disclosures which are not applicable and Other Statutory Information

- (i) As per section 248 of the Companies Act, 2013, there are no transactions and balances outstanding with struck off companies.
- (ii) The Company do 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.
- (iii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (v) The Company do not have any such 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.
- (vi) Title deeds of Immovable Property not held in name of the Company - Not applicable as there are no immovable properties other than lease hold properties.
- (vii) Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (viii) Wilful Defaulter - Not applicable as the Company has no loans from Banks or Financial Institution and the Company has not been classified as a wilful defaulter.
- (ix) Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (x) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- (xi) Details of Crypto Currency or Virtual Currency - Not Applicable as the Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

34 The figures of the corresponding year has been regrouped / reclassified wherever necessary, to make them comparable.

35 The Financial Statements were approved for issue by the Board of Directors on 12th April 2024

Urban Ladder Home Décor Solutions Limited

As per our Report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

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

Vishal L. Parekh

Partner

Membership No: 113918

Dated: April 12, 2024

For and on behalf of the board

Ashwin Khasgiwala

Director

DIN: 00006481

Akhilesh Prasad

Director

DIN: 01757265

Ashish Goel

Director

DIN: 03067864

Vivek Mehta

Chief Executive Officer

Rakesh Sharma

Chief Financial Officer

Vasudevan Iyer

Company Secretary