

Vengara Retail Private Limited
Financial Statements
2023-24

INDEPENDENT AUDITORS' REPORT

To the Members of Vengara Retail Private Limited Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Vengara Retail Private Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and the Statement of Cash flows for the year then ended and the notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the 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 the fact. We have nothing to report in this regard.

Management's responsibility for the standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 of 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

- A. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- B. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The company does not have any branches and so the provisions of section 143(8) are not applicable to the company.

- d) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash flows dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) In our opinion, and to the best of our information and explanations given to us, the Company has not paid/provided any remuneration to its directors during the year.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- C. With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
- 1 The Company does not have any pending litigations which would impact its financial position;
 - 2 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - 3 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - 4 a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - c) Based on the audit procedures 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 (a) and (b) contain any material misstatement.
 - 5 Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
 - 6 Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 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 the 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.

For G Joseph & Associates
Chartered Accountants
Firm Reg. No. 006310S

UDIN: 24233286BKCOCT8471
Place : Ernakulam
Date : April 15th, 2024

Raphael Sharon
Partner
Membership No.233286

Annexure "A" To The Independent Auditors' Report In Terms Of Section 143(11) Of The Companies Act, 2013

- (i) (a) i. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 ii. The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) According to the information and explanation given to us, Fixed Assets were physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) As per the information and explanations provided to us, the Company does not have any immovable properties.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- (ii) (a) According to the information and explanations provided to us, the physical verification of the inventory i.e., the stock of traded goods, stores and spares has been conducted on a continuous basis. In our opinion and based on 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. Discrepancies noticed on such physical verification have been properly dealt with in the books of account.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has not provided any loans, guarantees, securities to parties covered under section 185 and 186. None of the investments by the Company attract the provisions of section 186 of the Act.
- (v) In our opinion and according to the information and explanations given to us, no deposits or amounts which are deemed to be deposits within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 have been accepted by the Company and hence reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The provisions regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act are not applicable to the Company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the informations and explanations given to us there were no statutory dues on the last day of the financial year outstanding for a period of more than six months from the date they became payable.
- (b) Based on our audit procedures and on the basis of information and explanations given to us and on the basis of our examination of the records, there are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31st March, 2024.
- (viii) According to the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, reporting under clause 3(viii) of the order does not arise.
- (ix) (a) The Company has not taken any loans or other borrowings during the year and hence reporting under clause 3(ix)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) On the basis of information and explanations given to us and on the basis of our examination of the records, the Company has not been declared as wilful defaulter by any bank or financial institution or other lender. The Company does not have any subsidiaries, associates or joint ventures and so the clause is not applicable. Accordingly, clause 3(ix)(e) and (f) of the Order are not applicable.

- (x) (a) The Company has not raised any money by way of initial public offer and through debt instruments by way of further public offer during the year or during earlier years.
- (b) Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xi) (a) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under section 143(12) of Companies Act, 2013 read with rule 13 of Companies (Audit and Auditors) Rules, 2014 has been filed by the auditors with the Central Government.
- (c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- (xii) The Company is not a Nidhi Company and therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- (xiii) Based on the audit procedures performed and the information and explanation given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) The Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.
- (xv) Based on the audit procedures performed and the information and explanation given to us, we report that the Company has not entered into any non-cash transactions with its directors/director of the company or associate company/a person connected with the Director during the year.
- (xvi) a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and therefore, the provisions of clause 3 (xvi)(a) of the Order are not applicable to the Company.
- b. The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, hence reporting under clause 3(xvi)(c) is not applicable to the Company.
- d. As represented by the management, the Group does not have any Core Investment Company 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 paragraph 3 of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to ₹ 128.50 lakhs in the current year. In the immediately preceding financial year, the Company had incurred cash losses amounting to ₹ 174.19 lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly Clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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, 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 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) Based on the audit procedures performed and the information and explanation given to us, we report that the company has no liability to maintain fund according to the provision of section 135 of Companies Act , 2013. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For G Joseph & Associates
Chartered Accountants
 Firm Reg. No. 006310S

UDIN: 24233286BKCOCT8471
 Place: Ernakulam
 Date : April 15th, 2024

Raphael Sharon
 Partner
 Membership No.233286

"Annexure B" to The Independent Auditor's Report of Even Date on The Standalone Financial Statements of Vengara Retail Private Limited

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

We have audited the internal financial controls over financial reporting of Vengara Retail Private Limited ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 these Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For G Joseph & Associates
Chartered Accountants
Firm Reg. No. 006310S

UDIN: 24233286BKCOCT8471
Place : Ernakulam
Date : April 15th, 2024

Raphael Sharon
Partner
Membership No.233286

Vengara Retail Private Limited
Balance Sheet as at 31st March ,2024

	Notes	₹ in Lakhs		
		As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	1	183.16	211.00	236.82
		<u>183.16</u>	<u>211.00</u>	<u>236.82</u>
Other Non-Current Assets	2	0.17	24.68	25.93
Total Non-Current Assets		<u>183.33</u>	<u>235.68</u>	<u>262.75</u>
Inventories	3	-	26.92	125.11
Financial Assets				
Trade Receivables	4	8.89	0.41	101.74
Cash and Cash Equivalents	5	1.85	0.51	11.94
Other Current Assets	6	38.60	46.23	49.39
Total Current Assets		<u>49.34</u>	<u>74.07</u>	<u>288.18</u>
Total Assets		<u><u>232.67</u></u>	<u><u>309.75</u></u>	<u><u>550.93</u></u>
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	7	1.00	1.00	1.00
Other Equity	8	(475.40)	(319.06)	(124.85)
Total Equity		<u>(474.40)</u>	<u>(318.06)</u>	<u>(123.85)</u>
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowing	9	700.00	245.00	245.00
Provisions	10	-	1.84	1.00
Deferred tax liability (net)	11	-	-	5.49
Total Non-Current Liabilities		<u>700.00</u>	<u>246.84</u>	<u>251.49</u>
Current Liabilities				
Financial Liabilities				
Trade Payables Due to:	12			
Micro and Small Enterprise		0.59	-	-
Other than Micro and Small Enterprise		5.96	179.88	237.52
Lease Liabilities		-	-	
Provisions	13	-	0.11	-
Other Current Liabilities	14	0.52	200.98	185.77
Total Current Liabilities		<u>7.07</u>	<u>380.97</u>	<u>423.29</u>
Total Liabilities		<u>707.07</u>	<u>627.81</u>	<u>674.78</u>
Total Equity and Liabilities		<u><u>232.67</u></u>	<u><u>309.75</u></u>	<u><u>550.93</u></u>
See accompanying Notes to the Financial Statements	A - E 1 to 30			

Vengara Retail Private Limited

As per our Report of even date

For G. Joseph & Associates
Chartered Accountants
Firm Registration No.006310S

Raphael Sharon
Partner
Membership No. 233286

For and on behalf of the Board

Sameer Agrawal
Director
DIN: 10590790

D S Rajan
Director
DIN: 10590794

Avudaiappan Pillai
Director
DIN: 10590786

Dated : April 15, 2024

Vengara Retail Private Limited
Statement of Profit and Loss for the year ended 31st March 2024

₹ in Lakhs

	Note	2023-24	2022-23
INCOME			
Value of Sales		142.13	334.79
Income from Services		10.28	11.64
Value of Sales & Services (Revenue)		<u>152.41</u>	<u>346.43</u>
Less: GST recovered		16.01	33.37
Revenue from Operations		<u>136.40</u>	<u>313.06</u>
Other Income	15	0.03	0.10
Total Income		<u>136.43</u>	<u>313.16</u>
EXPENSES			
Purchases of Stock-in-Trade		99.66	188.06
Changes in Inventories Stock-in-Trade	16	26.92	98.18
Employee Benefits Expense	17	19.57	50.31
Finance Costs	18	19.70	-
Depreciation	1	27.84	25.52
Other Expenses	19	99.08	150.79
Total Expenses		<u>292.77</u>	<u>512.86</u>
Loss before tax		<u>(156.34)</u>	<u>(199.70)</u>
Tax expenses			
Current Tax		-	-
For Current year		-	-
Deferred Tax	11	-	(5.49)
Loss after tax		<u>(156.34)</u>	<u>(194.21)</u>
Other Comprehensive Income			
Items that will not be reclassified to Statement of profit and loss	17	-	-
Total Other Comprehensive Income for the year (Net of tax)		<u>-</u>	<u>-</u>
Total Comprehensive Loss for the year		<u>(156.34)</u>	<u>(194.21)</u>
Earnings per equity share of face value of ₹ 10 each			
Basic (in ₹)	22	(1,563.40)	(1,942.08)
Diluted (in ₹)	22	(1,563.40)	(1,942.08)
See accompanying Notes to the Financial Statements	A - E 1 to 30		

Vengara Retail Private Limited

As per our Report of even date

For G. Joseph & Associates
Chartered Accountants
Firm Registration No.006310S

Raphael Sharon
Partner
Membership No. 233286

For and on behalf of the Board

Sameer Agrawal
Director
DIN: 10590790

D S Rajan
Director
DIN: 10590794

Avudaiappan Pillai
Director
DIN: 10590786

Dated : April 15, 2024

Vengara Retail Private Limited
Statement of Changes in Equity for the year ended 31st March, 2024

A. Equity Share Capital

₹ in Lakhs

	Balance as at 1st April, 2022	Changes during the year 2022-23	Balance as at 31st March, 2023	Changes during the year 2023-24	Balance as at 31st March, 2024
Authorised					
10,000 Equity shares of ₹ 10/- each Issued , subscribed and paid up	1.00	-	1.00	-	1.00
10,000 Equity shares of ₹ 10/- each	1.00	-	1.00	-	1.00

B. Other Equity

Particulars	<u>Reserves & Surplus</u>		Retained Earnings	Optionally Fully Convertible Debentures of ₹ 100 each, fully paid up	Other Comprehensive Income	Total
	Securitized Premium	General Reserve				
As at 31st March 2023,						
Balance as on 1st April, 2022	-	-	(124.85)	-	-	(124.85)
Add: Loss for the year	-	-	(194.21)	-	-	(194.21)
Balance as at 31st March, 2023	-	-	(319.06)	-	-	(319.06)
As at 31st March, 2024						
Balance as at 1st April , 2023	-	-	(319.06)	-	-	(319.06)
Add: Loss for the year	-	-	(156.34)	-	-	(156.34)
Total Comprehensive income for the year	-	-	-	-	-	-
Balance as at 31st March, 2024	-	-	(475.40)	-	-	(475.40)

Vengara Retail Private Limited

As per our Report of even date

For G. Joseph & Associates
Chartered Accountants
Firm Registration No.006310S

Raphael Sharon
Partner
Membership No. 233286

For and on behalf of the Board

Sameer Agrawal
Director
DIN: 10590790

D S Rajan
Director
DIN: 10590794

Avudaiappan Pillai
Director
DIN: 10590786

Dated : April 15, 2024

Vengara Retail Private Limited
Cash Flow Statement for the year ended 31st March, 2024

	₹ in Lakhs	
	2023-24	2022-23
A: CASH FLOW FROM OPERATING ACTIVITIES		
Net loss before tax as per Statement of Profit and Loss	(156.34)	(199.70)
Adjusted for:		
Depreciation	27.84	25.52
Profit on sale of fixed assets	-	(0.08)
Finance Costs	19.70	-
	<u>47.54</u>	<u>25.44</u>
Operating Profit / (loss) before Working Capital Changes	(108.80)	(174.26)
Adjusted for:		
Trade and Other Receivables	(8.48)	101.37
Inventories	26.92	98.17
Trade and Other Payables	(177.04)	(57.63)
Other Liabilities	(202.41)	16.16
Other current Assets	31.64	5.64
	<u>(329.37)</u>	<u>163.71</u>
Cash used in Operations	(438.17)	(10.55)
Taxes Paid (Net)	0.51	(1.25)
Net Cash flow used in Operating Activities	(437.66)	(11.80)
B: CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of Property, Plant and Equipment	-	0.37
Net cash flow from / (used in) investing activities	-	0.37
C: CASH FLOW FROM FINANCING ACTIVITIES		
Repayment from borrowing - Non current	-	-
Proceeds from Issue of OFCD	-	-
Borrowings current (Net)	455.00	-
Interest paid	(16.00)	-
Net cash flow from / (used in) financing activities	439.00	-
Net increase / (decrease) in cash and cash equivalents	1.34	(11.43)
Opening Balance of Cash and Cash Equivalents	0.51	11.94
Closing Balance of Cash and Cash Equivalents (Refer Note 5)	1.85	0.51

Vengara Retail Private Limited

As per our Report of even date

For G. Joseph & Associates
Chartered Accountants
Firm Registration No.006310S

Raphael Sharon
Partner
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Director
DIN: 10590786

Dated : April 15, 2024

Vengara Retail Private Limited

Notes to financial statements for the year ended 31st March 2024

A Corporate information

Vengara Retail Private Limited (hereinafter referred to "the Company") was incorporated on 9th October, 2020 under the Indian Companies Act, 2013 in the State of Kerala. The Company was engaged in organised retail primarily catering to Indian consumers, covering wide range of products such as groceries, consumer products, branded foods etc , partly during the year and later into the grocery trading business.

During the current year w.e.f. 31st May,2023-Reliance Retail Ventures Limited (RRVL) acquired 100% of the equity shares of Bismi Hypermart Limited which is the holding company of the company thereby making RRVL the ultimate Holding company.

Statement of Compliance

The financial statements of the Company have been prepared to comply in all material respects with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and as amended by the Ministry of Company Affairs from time to time.

B Material accounting policies

B.1 Basis of Preparation and Presentation

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

- a) ROU assets and Lease liabilities
- b) Security deposits to the landlords

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

B.2 Going concern basis of accounting

During the current year, the Company has reported net loss of ₹156.34 lakhs and the Company has an accumulated loss of ₹ 475.41lakhs. The net current assets is positive which is a favourable trend.

Further, based on management plans and having consideration to the forecasts for the future periods, the management is confident of generating operating profits in the foreseeable future. Accordingly, these financial statements, do not include adjustments, if any, relating to recoverability and classification of assets or / and liabilities that may be necessary if the Company was unable to continue as a going concern.

B.3 Summary of Material accounting policies

a) Current / non-current classification

All assets and liabilities are classified into current and non-current

An asset is classified as current when it satisfies any of the following criteria:

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

All other assets are classified as non-current.

Notes to financial statements for the year ended 31st March 2024

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained 12 months as its operating cycle.

b) Inventories

Inventories are valued, at the lower of cost and net realisable value. Cost comprises purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The comparison of cost and net realisable value of inventory is made on an item by item basis. Necessary adjustments / provisions are made in respect of non-moving, slow moving and damaged items of inventories. Costs of inventories are determined on weighted average basis.

c) Property, plant and equipment and intangible assets

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, and any cost directly attributable to bringing the assets to its working condition for its intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and cost can be measured reliably.

Capital work-in-progress includes the cost of the property, plant and equipment that are not yet ready for their intended use as the balance sheet date.

Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet are shown as capital advances under 'Other non-current assets'.

Depreciation and amortisation

Depreciation is provided using the Straight Line Method ('SLM') as per the useful life prescribed in Schedule II of the Companies Act, 2013. In respect of solar power plant, depreciation has been provided using the straight line method over the useful life as determined on a technical evaluation by the management ranging from 15 years to 20 years. In the case of leasehold improvement, considering the lease period, the useful life ranging between 5 years to 20 years has been adopted by the management. Useful life adopted by the Company for other class of assets are given below:

Electrical and other equipments	- 10 years
Furniture, fixtures & fittings	- 10 years
Equipment	- 15 years
Plant & Machinery - Computer & accessories	
a) Servers and networks & accesories	- 6 years
b) End user devices	- 3 years
Vehicles	- 8 years

Notes to financial statements for the year ended 31st March 2024

d) Intangible assets and amortization

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment, if any. The intangible assets comprising computer software is amortized on straight line basis over the estimated useful life of 10 years and respectively.

The amortization period and method are reviewed at each Balance Sheet date. If the expected useful life of the asset is significantly different from the previous estimates, the amortization period are changed accordingly.

e) Impairment of non-financial assets

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

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

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

f) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. Generally, control is transferred upon shipment /delivery of goods to the customer. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding goods and services tax, shipping charges, cash on delivery charges and trade and quantity discounts. Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

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

Interest Income from a financial asset is recognised using effective interest rate method

g) Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees

Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to a Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

Notes to the financial statements for the year ended 31st March 2024

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

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

The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

h) Leases

As Lessee

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

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

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

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

Notes to financial statements for the year ended 31st March 2024

(i) Income Taxes

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

Current tax

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

Deferred tax

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

Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively

Notes to financial statements for the year ended 31st March 2024

enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

J) Earnings per share

Basic:

The number of equity shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Diluted:

Diluted EPS amounts are calculated by dividing the profit / loss attributable to equity shareholders of the Company (after adjusting for interest on optionally fully convertible debentures, 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.

k) Provisions and contingent liabilities

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably will require an outflow of resources to settle the obligation, and in respect of which a reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

l) Cash and cash equivalents

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

m) Cash flow statement

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

Notes to financial statements for the year ended 31st March 2024

n) Financial instruments

(i) Financial assets

A. Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value Through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets measured at Amortised Cost (AC)

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

b) Financial assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

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

c) Financial assets measured at Fair Value Through Profit or Loss (FVTPL)

A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

C Impairment of Financial Assets

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

Expected Credit Losses are measured through a loss allowance at an amount equal to:

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

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables.

The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

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

(ii) Financial Liabilities

A. Initial Recognition and Measurement

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

Notes to financial statements for the year ended 31st March 2024

B. Subsequent Measurement

Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(iii). Derivative Financial Instruments and Hedge Accounting

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially

recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value.

Derivatives are carried as Financial Assets when the fair value is positive and as Financial Liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedge which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or is treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a Non-Financial Assets or Non-Financial liability.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

A. Cash Flow Hedge

The Company designates derivative contracts or non-derivative Financial Assets/ Liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in the cash flow hedging reserve being part of Other Comprehensive Income. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold or terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

B. Fair Value Hedge

The Company designates derivative contracts or non-derivative Financial Assets/Liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity.

(iv) Derecognition of Financial Instruments

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

Notes to financial statements for the year ended 31st March 2024

(v) Offsetting

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

C) Critical accounting judgements and key sources of estimation uncertainty

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

a) Property, plant and equipment

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

b) Provisions

The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

c) Impairment of financial and non-financial assets

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

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

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

(d) Recognition of Deferred Tax Assets and Liabilities

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

(e) Fair Value Measurement

For estimates relating to fair value of financial instruments as referred in the Ind AS financial statements.

(f) First time adoption of Ind AS

The first time adoption of Ind AS was carried out in accordance with Ind AS 101, using 1st April, 2022 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the first Ind AS financial statements for the year ended 31st March, 2023, be applied consistently and retrospectively for all fiscal years presented. All applicable Ind AS have been applied consistently and retrospectively wherever

Notes to financial statements for the year ended 31st March 2024

required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and previous GAAP as at the transition date have been recognized directly in equity at the transition date.

In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

(a) Exceptions from full retrospective application

Estimates exception: Upon an assessment of the estimates made under previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by the previous GAAP.

(b) Exemptions from retrospective application:

Deemed cost : The Company has elected to apply the deemed cost exemption in Ind AS 101 whereby the Company has the option to carry all items and classes of property, plant and equipment on the date of transition to Ind AS per the carrying amounts prevailing as per previous GAAP. Pursuant to this exemption, no adjustment pertaining to property, plant and equipment is required on the date of transition for effects of retrospective application of other standards.

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

	As at 31st March 2024	As at 31st March, 2023	₹ in Lakhs As at 1st April, 2022
2. Other Non-Current Assets <i>(unsecured and considered good)</i>			
Advance Income Tax ⁽ⁱ⁾	0.17	0.68	1.93
Other Loans and Advances	-	24.00	24.00
Total	0.17	24.68	25.93

	As at 31st March 2024	As at 31st March, 2023	As at 1st April 2022
(i) Advance Income Tax (Net of Provision)			
At start of year	0.68	1.93	1.51
Charge for the year - Current Tax	0.17	-	
Tax paid (Refund) during the year	(0.68)	(1.25)	0.42
At end of year	0.17	0.68	1.93

	As at 31st March 2024	As at 31st March, 2023	₹ in Lakhs As at 1st April 2022
3. Inventories <i>(valued at lower of cost or net realisable value)</i>			
Stock-in-trade	-	26.92	125.11
Total	-	26.92	125.11

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

₹ in Lakhs

4 Trade Receivables (unsecured and considered good)	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
Trade Receivables	8.89	0.41	101.74
	<u>8.89</u>	<u>0.41</u>	<u>101.74</u>

Ageing as on 31st March, 2024

Particulars	Not due	< 6 Months	6 months - 1year	1-2 years	2-3 years	>3 years	Total
(i) Undisputed Trade receivables considered good	-	8.89	-	-	-	-	8.89
(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	-	8.89	-	-	-	-	8.89

Ageing as on 31st March, 2023

Particulars	Not Due	< 6 Months	6 months - 1year	1-2 years	2-3 years	>3 years	Total
(i) Undisputed Trade receivables considered good	0.03	0.16	0.22	-	-	-	0.41
(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	0.03	0.16	0.22	-	-	-	0.41

Ageing as on 1st April, 2022

Particulars	Not due	< 6 Months	6 months - 1year	1-2 years	2-3 years	>3 years	Total
(i) Undisputed Trade receivables considered good	0.40	87.41	13.93	-	-	-	101.74
(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	0.40	87.41	13.93	-	-	-	101.74

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

5.Cash and Cash Equivalents	As at	As at	₹ in Lakhs
	31st March 2024	31st March, 2023	As at 1st April, 2022
Cash in Hand	-	0.29	1.29
Balances with banks	1.85	0.22	10.65
Cash and cash Equivalents as per Balance Sheet / Cash Flow Statement	1.85	0.51	11.94

6 Other Current Assets (unsecured and considered good)	As at	As at	₹ in Lakhs
	31st March 2024	31st March, 2023	As at 1st April, 2022
Balance with GST and State Authorities, etc.	38.60	45.13	47.72
Others *		1.10	1.67
Total	38.60	46.23	49.39

* Includes advances to employees, prepaid expenses etc .

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

7. Share capital		₹ in Lakhs		
		As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
Authorised Share Capital				
10,000	Equity shares of ₹ 10 each	1.00	1.00	1.00
	Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
Issued, Subscribed and Paid up:				
10,000	Equity shares of ₹ 10 each fully paid up	1.00	1.00	1.00
	Total	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

Out of the above 10,000 equity shares of ₹ 10 each fully paid-up are held by Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited) , the Holding Company, along with its nominees.

The details of Shareholders holding more than 5% shares :

Name of the Shareholders	As at 31st March, 2024		As at 31st March, 2023		As at 1st April, 2022	
	No. of Shares	% held	No. of Shares	% held	No. of Shares	% held
Bismi Hypermart Limited (Formerly Known as Bismi Hypermart Private Limited)	10,000	100%	10,000	100%	10,000	100%
	<u>10,000</u>	<u>100%</u>	<u>10,000</u>	<u>100%</u>	<u>10,000</u>	<u>100%</u>

Particulars	As at 31st March, 2024		As at 31st March, 2023		As at 1st April, 2022	
	No. of Shares		No. of shares		No. of shares	
Equity shares at the beginning of the year	10,000		10,000		10,000	
Add: Equity shares issued during the year	-		-		-	
Equity shares at the end of the year	10,000		10,000		10,000	

- (iii) The Company has only one class of equity shares having face value of ₹ 10 each. The holder of the equity share is entitled to dividend right 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 total paid-up equity share capital of the Company

Vengara Retail Private Limited

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

Shareholding of promoter

As at 31st March, 2024

S.no	Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
1	Bismi Hypermart Limited (Formerly Known as Bismi Hypermart Private Limited)	10,000	-	10,000	100.00%	-
Total		10,000	-	10,000	100%	-

As at 31st March, 2023

S.no	Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
1	Bismi Hypermart Private Limited	10,000	-	10,000	100.00%	-
Total		10,000	-	10,000	100%	-

As at 1st April, 2022

S.no	Promoter name	No of Shares at the beginning of the year	Change during the year	No of Shares at the end of the year	% of Total Shares	% change during the year
1	Bismi Hypermart Private Limited	10,000	-	10,000	100%	-
Total		10,000	-	10,000	100%	-

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

₹ in Lakhs

8. Other Equity

	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
Retained Earnings			
As per last Balance Sheet	(319.06)	(124.85)	(0.95)
Add: Loss for the year	<u>(156.34)</u>	<u>(194.21)</u>	<u>(123.90)</u>
	<u>(475.40)</u>	<u>(319.06)</u>	<u>(124.85)</u>
Total	<u><u>(475.40)</u></u>	<u><u>(319.06)</u></u>	<u><u>(124.85)</u></u>

9. Borrowings - Non Current

	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
Unsecured - At amortised Cost			
Loans and advances from related parties ** [Refer to Note 25(iv)]	700.00	245.00	245.00
Total	<u><u>700.00</u></u>	<u><u>245.00</u></u>	<u><u>245.00</u></u>

**Loan taken from Bismi Hypermart Private Limited (Holding Company) rate of interest of 9% p.a. for the purpose long term fund which is repayable at end of three years from date of disbursement (Refer Note 24 for maturity profile).

10. Provisions - Non Current

	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
Provision for gratuity (Refer note 17.1)	-	1.17	1.00
Provision for leave encashment *	-	0.67	-
Total	<u><u>-</u></u>	<u><u>1.84</u></u>	<u><u>1.00</u></u>

*The provision for leave encashment includes annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

Vengara Retail Private Limited

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

11 Deferred Tax Liabilities (Net)	₹ in Lakhs		
	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022
The movement on the deferred tax account is as follows:			
At the start of the year	-	5.49	5.49
statement of profit and loss	-	(5.49)	-
At the end of year	-	-	5.49

Component of Deferred tax	As at 1st April, 2022	(Charge)/Credit to Statement of Profit and Loss	(Charge)/Credit to Other comprehensive Income	As at 31st March, 2023	(Charge)/Credit to Statement of Profit and Loss	(Charge)/Credit to Other comprehensive Income	As at 31st March, 2024
Deferred tax asset in relation to:							
Property, plant and equipment	5.49	(5.49)	-	(0.00)	-	-	(0.00)
Total	5.49	(5.49)	-	(0.00)	-	-	(0.00)
Deferred tax liabilities in relation to:							
Property, plant and equipment	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
Net Deferred Tax Asset / (Liabilities)	5.49	(5.49)	-	(0.00)	-	-	(0.00)

Vengara Retail Private Limited

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

12 Trade payables	₹ in Lakhs			
	As at 31st March 2024	As at 31st March, 2023	As at 1st April, 2022	
Micro and Small Enterprises	0.59	-	-	-
	<u>5.96</u>	179.88	237.52	
Dues of creditors other than micro and small enterprises	6.55	179.88	237.52	
Total	<u><u>6.55</u></u>	<u><u>179.88</u></u>	<u><u>237.52</u></u>	

12.1 There are no overdue amounts to Micro, Small and Medium Enterprises as at 31st March, 2024, 31st March, 2023 and 1st April, 2022 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

Ageing Schedule as on 31st March, 2024

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME	0.59					0.59
(ii) Others	-	5.38	0.58	-	-	5.96
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	0.59	5.38	0.58	-	-	6.55

Ageing Schedule as on 31st March, 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME						-
(ii) Others	-	117.15	62.73			179.88
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	117.15	62.73	-	-	179.88

Ageing Schedule as on 1st April, 2022

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	>3 years	Total
(i) MSME	-		-	-	-	-
(ii) Others	-	237.52	-	-	-	237.52
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	-	237.52	-	-	-	237.52

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

13 Provisions - Current	As at	As at	₹ in Lakhs
	31st March 2024	31st March, 2023	As at 1st April, 2022
Provision for Gratuity	-	-	-
Provision for Leave encashment *	-	0.11	-
Total	-	0.11	-

*The provision for leave encashment includes annual leave and vested long service leave entitlement accrued and compensation claims made by employees.

14 Other Current Liabilities	As at	As at	₹ in Lakhs
	31st March 2024	31st March, 2023	As at 1st April, 2022
Other Payables ⁽ⁱ⁾	0.52	200.98	185.77
Total	0.52	200.98	185.77

⁽ⁱ⁾ Includes Statutory Dues and employee dues .

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

	₹ in Lakhs	
15 Other Income	2023-24	2022-23
Interest		
Income tax refund	0.03	0.10
Total	<u>0.03</u>	<u>0.10</u>

	₹ in Lakhs	
16. Changes in Inventories -Stock-in-Trade	2023-24	2022-23
Inventories (at close)		
Stock-in-trade	-	26.92
Inventories (at commencement)		
Stock-in-trade	26.92	125.10
Total	<u>26.92</u>	<u>98.18</u>

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

	₹ in Lakhs	
17. Employee Benefits Expense	2023-24	2022-23
Salaries and Wages	17.10	42.48
Contribution to Provident Fund and Other Funds	2.13	7.11
Staff Welfare Expenses	0.34	0.72
Total	19.57	50.31

17.1 As per IND AS 19 "Employee Benefits", the disclosures as defined are given below :

Defined Contribution Plan

	₹ in Lakhs	
Contribution to Defined Contribution Plan, recognised as expenses for the year is as under:		
Particulars	2023-24	2022-23
Employer's Contribution to Provident Fund	1.71	4.82

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

	₹ in Lakhs	
	Gratuity (unfunded)	
Particulars	2023-24	2022-23
Defined Benefit Obligation at beginning of the year	1.17	1.00
Current Service cost	-	0.83
Interest Cost	-	0.09
Actuarial (Gain)/ Loss	0.00	(0.75)
Benefits Paid	(1.17)	-
Defined Benefit Obligation end of the year	-	1.17

II. Reconciliation of fair value of Assets and Obligations

	₹ in Lakhs	
	Gratuity (unfunded)	
	2023-24	2022-23
Present Value of Obligation	-	1.17
Amount recognised in Balance Sheet (Surplus/ Deficit)	-	1.17

III. Expenses recognised during the year

	₹ in Lakhs	
	Gratuity (unfunded)	
Statement of profit and loss	2023-24	2022-23
Current Service Cost	-	0.83
Interest Cost	-	0.09
Net Cost	-	0.92
In Other Comprehensive Income		
Actuarial (Gain)/ Loss	0.00	(0.75)
Net (Income) / Expense for the period Recognised in OCI	0.00	-

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****IV. Actuarial assumptions**

	Gratuity (unfunded)	
	2023-24	2022-23
Mortality Table (IALM)	2012-14	
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	0.00%	7.59%
Rate of Escalation in Salary (per annum)	0.00%	7.00%
Rate of Employee Turnover (per annum)	0.00%	10.00%

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

V. Sensitivity Analysis

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

Particulars	₹ in Lakhs			
	As at		As at	
	31st March 2024		31st March, 2023	
	Decrease	Increase	Decrease	Increase
Change in rate of discounting (delta effect of +/- 0.5%)	-	-	(0.15)	0.18
Change in rate of salary increase (delta effect of +/- 0.5%)	-	-	0.18	(0.15)
Change in rate of employee turnover (delta effect of +/- 0.5%)	-	-	(0.04)	0.04
Change in rate of Mortality (delta effect of +/- 10%)	-	-	-	-

The expected contributions for Defined Benefit Plan for the current financial year is considered as Nil, since the scheme is managed on an unfunded basis.

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

Interest 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 the liability (as shown in financial statements).
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March , 2024**

₹ in Lakhs

18. Finance Costs	2023-24	2022-23	
Interest on borrowings	19.70	-	
Total	<u>19.70</u>	<u>-</u>	
			₹ in Lakhs
19. Other Expenses	2023-24	2022-23	
Sales promotion and advertisement expenses	1.16	2.14	
Store running expenses	0.42	0.80	
Brokerage & Commission	-	-	
Warehousing and distribution expenses	0.55	2.76	
Establishment expenses			
Stores and packing materials	-	-	
Machinery repairs	0.64	-	
Building Repairs and maintenance	2.65	10.88	
Other repairs	-	-	
Rent	56.00	66.31	
Insurance	0.25	0.52	
Rates and taxes	15.16	15.75	
Travelling and conveyance expenses	0.10	0.12	
Professional fees	1.32	2.35	
Bad debts written off	0.90	0.85	
Charity & Donation	-	0.01	
Electricity expenses	13.54	39.26	
General expenses	<u>4.09</u>	<u>6.54</u>	
		96.78	148.29
19.1 Payments to auditor as:			
Statutory Audit fees	1.60	1.40	
Tax audit fees	0.50	0.50	
Certification and other services	<u>0.20</u>	<u>0.60</u>	
		2.30	2.50
Total	<u>99.08</u>	<u>150.79</u>	

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

20. Taxation	₹ in Lakhs	
	As at 31st March, 2024	As at 31st March, 2023
Income Tax recognised in the Statement of Profit and Loss		
Current tax	-	-
Deferred tax	-	(5.49)
Total income tax expenses recognised in the current year	<u>-</u>	<u>(5.49)</u>

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

Particulars	2023-24	2022-23
Loss before tax	(156.34)	(199.70)
Applicable Tax rate	25.17%	25.17%
Computed tax expenses	(39.35)	(50.26)
Tax Effect of :		
Carry forward losses utilised	37.98	50.59
Expenses Disallowed	7.00	6.81
Additional Allowances (Dep as per IT)	(5.63)	(7.13)
MAT Credit	-	-
Current Tax Provision (A)	<u>0.00</u>	<u>0.00</u>
Incremental Deferred Tax Liability on account of PPE	-	(5.49)
Deferred Tax Provision / (Reversal) (B)	<u>-</u>	<u>(5.49)</u>
Tax Expenses/ (Income) recognised in Statement of Profit and Loss (A+B)	<u><u>-</u></u>	<u><u>(5.49)</u></u>
Effective Tax Rate	-	-

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024**

- 21 The Company was engaged in organised retail primarily catering to Indian consumers. covering wide range of products such as groceries ,consumer products, branded foods etc partly during the year and later into the grocery trading business. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segment". The Chief operating Decision Maker's Company's monitors the operating results of the Company's business for the purpose of making decisions about resource allocation and performance assessment.

₹ in Lakhs

22 Earnings per share (EPS)	2023-24	2022-23
Face Value per Equity Share (₹)	10.00	10.00
Basic / Diluted Earnings Equity Share (₹)	(1,563.40)	(1,942.08)
Net loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	(156.34)	(194.21)
Weighted Average number of Equity Shares used as denominator for calculating Basic & Diluted EPS	10,000	10,000

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****23 Capital Management**

For the purpose of the company's capital management, capital includes issued capital, share premium, convertible instruments and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders or issue new shares.

The Company monitors capital using a Gearing Ratio, which is Net Debt divided by Equity.

The Company includes within Net debt, interest bearing Loans and Borrowings, less Cash & Cash Equivalents.

Net Gearing Ratio

The Net Gearing Ratio at end of the reporting period was as follows.

	As at	As at	₹ in Lakhs
	<u>31st March, 2024</u>	<u>31st March, 2023</u>	<u>As at</u>
			<u>1st April, 2022</u>
Gross Debt	700.00	245.00	245.00
Cash and Marketable securities *	1.85	0.51	11.94
Net Debt (A)	698.15	244.49	233.06
Total Equity (As per Balance Sheet) (B)	(474.40)	(318.06)	(123.85)
Net Gearing Ratio (A/B)	(1.47)	(0.77)	(1.88)

*Cash and marketable securities includes Cash & Cash equivalent ₹ 1.85 Lakhs (31st March, 2023 ₹ 0.53 Lakhs, 1st April, 2022 ₹ 12.34 Lakhs) and Current investments ₹ Nil

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****24 Financial Risk Management Objectives and Policies****(i) Financial Instruments****Valuation Methodology**

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

- a) The fair value of investment in unquoted Mutual Funds is measured at NAV.
- b) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurement hierarchy:

₹ in Lakhs

Particulars	As at 31st March, 2024		As at 31st March, 2023		As at 1st April , 2022	
	Carrying Amount	Level of input used in	Carrying Amount	Level of input used in	Carrying Amount	Level of input used in
		Level 1		Level 1		Level 1
Financial Assets						
At Amortised Cost						
Trade Receivables	8.89	-	0.41	-	101.74	-
Cash and Bank Balances	1.85	-	0.51	-	11.94	-
At FVTPL						
Investments	-	-	-	-	-	-
Financial Liabilities						
At Amortised Cost						
Borrowings	700.00	700.00	245.00	245.00	245.00	245.00
Trade Payables	6.55	-	179.88	-	237.52	-

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

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

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).

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****(ii) Foreign Currency Risk**

Foreign Currency Risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. The Company has no assets receivable or liabilities payable in foreign currencies, hence no further disclosures provided.

(iii) Capital Management

The objective of the Company's capital management structure is to ensure sufficient liquidity to support its business and provide adequate return to shareholders. Management monitors the long term cash flow requirements including externally imposed capital requirements of the business in order to assess the requirement for changes to the capital structure to meet the said objective. As part of this monitoring, the management considers the cost of capital and the risks associated with each class of capital and makes adjustments to the capital structure, where appropriate, in light of changes in economic conditions and the risk characteristics of the underlying assets. The funding requirement is met through a combination of equity, internal accruals, borrowings or undertaken other restructuring activities as appropriate.

No changes were made in the objectives, policies or processes during the year ended 31st March, 2024.

Financial Risk Management Framework

Company's principal financial liabilities comprise borrowings, trade payables and Other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade receivables, loans, cash & cash equivalent and other financial assets.

Risk Exposures and Responses

The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk.

Interest Rate risk

The Company obtains financing through borrowings. The Company's policy is to obtain the most favourable interest rates available.

The Company's exposure to interest rate risk relates primarily to interest bearing financial liabilities. Interest rate risk is managed by the company on an on-going basis with the primary objective of limiting the extent to which interest expense could be affected by an adverse movement in interest rates.

Particulars	₹ in Lakhs		
	As at 31st March, 2024	As at 31st March, 2023	As at 1st April, 2022
Borrowings			
Borrowings Non Current	700.00	245.00	245.00
Total	700.00	245.00	245.00

There is no Interest Rate Risk as all the Borrowings are at fixed rate of interest.

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade and other receivables) and from its financing activities, including and other financial assets.

The finance function of the Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assesses the credit risk for each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

The risk parameters are same for all financial assets for all periods presented. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due . A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. This definition of default is determined by considering the business environment in which company operates and other macro-economic factors.

Trade Receivables: Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Other Financial Assets: Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Vengara Retail Private Limited

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

Liquidity Risk

Liquidity risk arises from the financial liabilities of the Company and the Company's subsequent ability to meet its obligations to repay its financial liabilities as and when they fall due. The company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

₹ in Lakhs

Maturity Profile of Loans and Derivative Financial Liabilities as on 31st March, 2024

Liquidity Risks	Below 3 months	3-6 months	6-12 months	1-3 Years	3-5 years	Above 5 years	Grand Total
Borrowings (Refer Note 11)	-	-	-	700.00	-	-	700.00
Total	-	-	-	700.00	-	-	700.00

₹ in Lakhs

Maturity Profile of Loans and Derivative Financial Liabilities as on 31st March, 2023

Liquidity Risks	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings (Refer Note 11)	-	-	245.00	-	-	245.00
Total	-	-	245.00	-	-	245.00

₹ in Lakhs

Maturity Profile of Loans and Derivative Financial Liabilities as on 1st April, 2022

Liquidity Risks	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Borrowings (Refer Note 11)	-	-	245.00	-	-	245.00
Total	-	-	245.00	-	-	245.00

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

25 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	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	} Holding Company
2	Thodupuzha Retail Private Limited	} Fellow Subsidiary
3	Valiyath Abdul Hameed Ajmal	} Director
4	Valiyaveettil Yousuf Shabani	} Director
5	Anwar P T	} Director
6	Bismi Connect Limited	} Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence
7	Nettoor Agro LLP	

The above entities includes related parties where relationship existed for part of the year / previous year

Vengara Retail Private Limited

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

ii Transaction during the year with related parties (excluding reimbursements)							₹ in Lakhs
Sr. No.	Nature of Transactions	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Directors	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	Total
1	Loans taken/ (Repaid)	700.00	-	0.00	(245.00)	-	455.00
		-	-	-	<i>245.00</i>	-	245.00
2	Sale of Goods	74.86	-	-	-	-	74.86
		<i>51.09</i>	-	-	-	-	51.09
3	Sale of Services	7.11	-	-	-	-	7.11
		-	-	-	-	-	-
4	Purchase of stock-in-trade	90.89	-	-	-	1.43	92.32
		<i>124.50</i>	-	-	-	<i>29.61</i>	<i>154.11</i>
5	Finance Cost	19.70	-	-	-	-	19.70
		-	-	-	-	-	-
6	Rental Income	-	-	-	-	-	-
		-	-	-	-	<i>6.00</i>	<i>6.00</i>
7	Advance for Expenses	-	-	-	-	-	-
		-	<i>0.97</i>	-	-	-	<i>0.97</i>
8	Store running Expenses	0.29	-	-	-	-	0.29
		-	-	-	-	-	-
9	Rental Expenses	40.00	-	-	-	-	40.00
		-	-	-	-	-	-

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

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

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

₹ in Lakhs

Sr No	Particulars	Relationship	2023-24	2022-23
1	Loan Taken / (Repaid)			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	700.00	-
	Anwar PT	Director	(245.00)	245.00
2	Revenue from Operations			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	81.97	51.09
4	Purchases			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	90.89	124.50
	Netoor Agro LLP	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	1.43	29.61
5	Finance Cost			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	19.70	-
6	Rental Income			
	Bismi Connect Limited	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	-	6.00
8	Advance For Expenses			
	Thodupuzha Retail Private Limited	Fellow Subsidiary	-	0.97
9	Store Running Expenses			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	0.29	-
10	Rental Expenses			
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	40.00	-

The above entities includes related parties where relationship existed for part of the year / previous year

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

iv Disclosure of related party balances at the end of the year:

₹ in Lakhs

Sr No	Particulars	Relationship	As at 31st March, 2024	As at 31st March, 2023	As at 1st April, 2022
1	Equity Share Capital				
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	1.00	1.00	1.00
2	Long term borrowings				
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	700.00	-	-
	Anwar PT	Director	-	245.00	245.00
3	Trade Payable				
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	4.03	334.68	252.08
	Thodupuzha Retail Private Limited	Fellow Subsidiary	-	0.97	-
	Netoor Agro LLP	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	-	1.01	0.87
	Bismi Connect Limited	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	-	1.74	-
4	Trade Receivable				
	Bismi Connect Limited	Enterprises over which Key Managerial Personnel/Director are able to exercise significant influence	-	-	2.76
	Bismi Hypermart Limited (Formerly known as Bismi Hypermart Private Limited)	Holding Company	8.90	-	-

The above entities includes related parties where relationship existed for part of the year / previous year

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

26	Ratios	2023-24	2022-23
i	Current Ratio ^a	6.98	0.19
ii	Debt Service Coverage ratio ^b	(0.52)	0.00
iii	Inventory Turnover Ratio ^c	9.40	3.77
iv	Trade Payable Turnover Ratio ^d	2.43	2.09
v	Net Profit Ratio ^e	(1.03)	(0.56)
vi	Return on Investment ^f	3%	2%
vii	Debt-Equity Ratio ^g	(1.48)	(0.77)
viii	Return on Equity Ratio ^h	0.39	0.88
ix	Trade Receivables Turnover Ratio ⁱ	32.78	6.78
x	Net Capital Turnover Ratio ^j	-0.32	(1.09)
xi	Return on Capital Employed ^k	(1.80)	(9.26)

a Current Ratio has improved due to recovery from receivables

b Debt Service Coverage ratio is increased due to repayment of debt during the year.

c Inventory Turnover ratio has improved due to average holding of inventory is reduced.

d Trade Payables turnover ratio increased due to reduction in trade payable on account of payments.

e Net Profit ratio decreased due to reduction in sales as well as increase in other expense during the year.

f Return on Investments has improved due to reduction in Cash and Cash equivalents

g Debt- Equity ratio increased due to erosion of capital due to accumulated losses.

h Return on Equity ratio decreased due to increase in the losses .

i Trade Receivables turnover ratio increased due to higher cash sales in current year

j Net Capital Turnover Ratio has improved due to lesser loss in current year compared to last year.

k Return on Capital Employed has improved less loss in current year compared to last year.

Vengara Retail Private Limited

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

Sr. No.	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	$\frac{\text{loss After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
5	Inventory Turnover Ratio	$\frac{\text{Cost of Goods Sold}}{\text{Average Inventories of Stock-in-Trade}}$
6	Trade Receivables Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Average Trade Receivables}}$
7	Trade Payables Turnover Ratio	$\frac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
8	Net Capital Turnover Ratio	$\frac{\text{Revenue from Operations (including GST)}}{\text{Net Worth}}$
9	Net Profit Ratio %	$\frac{\text{Loss After Tax}}{\text{Revenue from Operations (including GST)}}$
10	Return on Capital Employed (Excluding Working Capital financing)	$\frac{\text{Loss After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$
11	Return on Investment	$\frac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents & Other Marketable Securities}}$

Vengara Retail Private Limited
Notes to Financial Statements for the year ended 31st March, 2024

27 First time Ind AS adoption reconciliations

27.1 Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2023 and 1st April, 2022

₹ in Lakhs

	As at 31st March, 2023			As at 1st April, 2022		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Assets						
Non-current assets						
Property, Plant and Equipment	211.00	-	211.00	236.82	-	236.82
Financial Assets	-	-	-	-	-	-
Other Financial assets	-	-	-	-	-	-
Other Non-current assets	24.68	-	24.68	25.93	-	25.93
Total Non Current assets	235.68	-	235.68	262.75	-	262.75
Current assets						
Inventories	26.92	-	26.92	125.11	-	125.11
Financial Assets						
Investments	-	-	-	-	-	-
Trade receivables	0.41	-	0.41	101.74	-	101.74
Cash and cash equivalents	0.51	-	0.51	11.94	-	11.94
Other Current Assets	46.23	-	46.23	49.39	-	49.39
Total Current assets	74.07	-	74.07	288.18	-	288.18
Total Assets	309.75	-	309.75	550.93	-	550.93
EQUITY AND LIABILITIES						
Equity						
Equity Share capital	1.00	-	1.00	1.00	-	1.00
Other Equity	(319.06)	-	(319.06)	(124.85)	-	(124.85)
Total equity	(318.06)	-	(318.06)	(123.85)	-	(123.85)
Liabilities						
Non-current liabilities						
Financial Liabilities						
Borrowings	245.00	-	245.00	245.00	-	245.00
Provisions	1.84	-	1.84	1.00	-	1.00
Deffered tax Liability	-	-	-	5.49	-	5.49
Total non-current liabilities	246.84	-	246.84	251.49	-	251.49
Current liabilities						
Financial Liabilities						
Trade payables	179.88	-	179.88	237.52	-	237.52
Borrowing	-	-	-	-	-	-
Other Current Liabilities	200.98	-	200.98	185.77	-	185.77
Provisions	0.11	-	0.11	-	-	-
Total current liabilities	380.97	-	380.97	423.29	-	423.29
Total Liabilities	627.81	-	627.81	674.78	-	674.78
Total equity and liabilities	309.75	-	309.75	550.93	-	550.93

Vengara Retail Private Limited**Notes to Financial Statements for the year ended 31st March, 2024****27.2 Effect of Ind AS adoption on the statement of profit and loss for the year ended 31st March, 2023**

₹ in Lakhs

	Year ended 31st March, 2023		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
INCOME			
Revenue from operations	313.06	-	313.06
Other Income	0.10	-	0.10
Total Income	313.16	-	313.16
EXPENDITURE			
Purchase of Stock-in-Trade	188.06	-	188.06
Changes in Inventories of Stock-in-Trade	98.18	-	98.18
Employee Benefits Expense	50.31	-	50.31
Finance Costs	-	-	-
Depreciation and Amortisation Expense	25.52	-	25.52
Other Expenses	150.79	-	150.79
Total Expenses	512.86	-	512.86
Loss before tax	(199.70)	-	(199.70)
Tax Expenses			
Deferred Tax	(5.49)	-	(5.49)
Loss for the year	(194.21)	-	(194.21)

27.3 Reconciliation of Other Equity between Ind AS and Previous GAAPa) Reconciliation of Total Equity as on 31st March, 2023 and 1st April, 2022 ₹ in Lakhs

Particulars	As at 31st March, 2023	As at 1st April, 2022
Total Equity as per previous GAAP	(318.06)	(123.85)
Adjustments	-	-
Total Equity as per Ind AS	(318.06)	(123.85)

b) Reconciliation of Total Comprehensive Income for the year ended 31st March, 2023

₹ in Lakhs

Particulars	For the year ended 31st March , 2023
Net loss as per previous GAAP	194.21
Less:- Other Comprehensive Income	0.00
Total comprehensive loss as per Ind AS	194.21

Vengara Retail Private Limited

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

- 28** MCA notification dated 24th March 2021 for amendments to Schedule III disclosures :-
- (i) Title deeds of all Immovable Properties disclosed in Note no 1 under property plant and equipment are held in the name of the Company.
 - (ii) Details of Benami Property and its proceedings - 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,
 - (iii) Willful Defaulter - Not applicable as the Company has no loans from Banks or Financial Institution and the Company has not been classified as a willful defaulter
 - (iv) There is no balance outstanding on account of any transaction with the Companies struck off under section 248 of the Companies Act 2013 or section 560 of Companies Act 1956
 - (v) Registration of charges or satisfaction with Registrar of Companies - Not applicable as there is no charge created against the assets of the Company
 - (vi) 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,
 - (vii) Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Schemes of Arrangement that have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
 - (viii) 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
 - (ix) 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 intermediary shall :
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries)or
 - b) Provide any guarantee , security or the like on behalf of ultimate beneficiaries.
 - (x) 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 company (Ultimate Beneficiaries)or
 - b) Provide any guarantee , security or the like on behalf of ultimate beneficiaries.
 - (xi) The Company does not have any transaction which is not recorded in the books of accounts,in respect of the income that has been surrendered or disclosed during the year in the tax assessments under Income Tax Act 1961.
 - (xii) There were no whistle blower complaints received by the Company during the year.
- 29** The figures for corresponding previous year have been regrouped / reclassified wherever necessary, to make them
- 30** The Financial Statements were approved for issue by the Board of Directors on 15th April,2024.

Vengara Retail Private Limited

As per our Report of even date

For G. Joseph & Associates
Chartered Accountants
Firm Registration No.006310S

Raphael Sharon
Partner
Membership No. 233286

For and on behalf of the Board

Sameer Agrawal
Director
DIN: 10590790

D S Rajan
Director
DIN: 10590794

Avudaiappan Pillai
Director
DIN: 10590786

Dated : April 15, 2024