

INDEPENDENT AUDITOR'S REPORT

To The Members of Wonderblues Apparels Private Limited Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

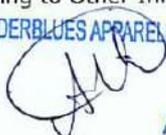
We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report.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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report, but does not include the financial statements, and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's Responsibilities Relating to Other Information'.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to

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events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Other Matters

The financial statements of the Company for the period ended March 31, 2023 were audited by the predecessor auditor, S.M. Chandrashekhar who had issued an unmodified opinion on those financial statements vide their report dated August 09, 2023.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far it appears from our examination of those books except for not complying with the requirements of audit trail as stated in i(vi) below.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

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- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h) In our opinion and to the best of our information and according to the explanations given to us, the Company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position. Refer Note 30(a) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. Refer Note 30 (b) to the financial statements.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. Refer Note 44 to the financial statements.
 - iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 42.6 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 42.6 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software except that audit trail feature did not operate from April 1, 2023 till March 13, 2024; the audit trail feature has operated throughout the remaining period for all relevant transactions recorded in the software. Further, during the course of our audit subject to above, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software's for the period for which the audit trail feature was operating. (Refer note 45 to the financial statements)

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 year ended March 31, 2024.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar Agarwal
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Rajesh Kumar Agarwal
Date: 2024.06.18
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Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
UDIN: 24105546BKEPEH5675

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Place: Gurugram
Date: June 18, 2024

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Wonderblues Apparels Private Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 015125N)

Rajesh Kumar
Agarwal

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Rajesh Kumar Agarwal
Date: 2024.06.18
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Rajesh Kumar Agarwal
(Partner)

Membership No. 105546
UDIN: 24105546BKEPEH5675

Place: Gurugram
Date: June 18, 2024

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

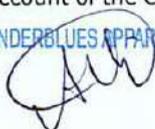
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

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- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable..
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2024.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

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- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with section 188 of the Companies Act for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) In our opinion, and based on our examination, the company is not required to have an internal audit system as per provisions of the Companies Act 2013, hence reporting under clause (xiv)(a) and (b) is not applicable.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 015125N)
Rajesh Kumar Agarwal
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Rajesh Kumar
Agarwal
Date: 2024.06.18
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Rajesh Kumar Agarwal
(Partner)
(Membership No. 105546)
UDIN: 24105546BKPEH5675

Place: Gurugram
Date: June 18, 2024

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Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Balance Sheet as at 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
A. Non-current assets			
Property, plant and equipment	3(a)	744.15	658.48
Right of use asset	3(b)	812.99	1,804.70
Goodwill	4(a)	384.27	384.27
Other intangible assets	4(b)	4,711.57	4,806.19
Financial assets:			
(i) Other Financial Assets	5	113.63	63.81
Sub-total (A)		6,766.61	7,717.45
B. Current assets			
Inventories	9	2,665.40	2,496.00
Financial assets:			
(i) Trade receivables	10	3,231.43	4,487.07
(ii) Cash and cash equivalents	11	2.22	215.70
Current tax assets (Net)	6	102.03	147.76
Other current assets	8	221.18	175.57
Sub-total (B)		6,222.26	7,522.10
Total Assets (A+B)		12,988.87	15,239.55
II. EQUITY AND LIABILITIES			
C. Equity			
Equity share capital	12	40.34	40.34
Other equity	13	3,886.19	3,690.75
Sub-total (C)		3,926.53	3,731.09
Liabilities			
D. Non-current liabilities			
Financial liabilities:			
(i) Borrowings	14	1,380.29	2,803.97
(ii) Lease liabilities	15	671.15	1,677.06
Provisions	17	260.63	258.44
Deferred tax liabilities (Net)	7	186.18	113.55
Sub-total (D)		2,498.25	4,853.02
E. Current liabilities			
Financial liabilities:			
(i) Borrowings	14	4,903.02	3,757.19
(ii) Lease liabilities	15	171.29	75.94
(iii) Trade payables	19	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,367.48	1,323.05
(iv) Other financial liabilities	16	27.88	1,403.53
Other current liabilities	18	75.83	76.72
Provisions	17	18.59	19.01
Sub-total (E)		6,564.09	6,655.44
Total equity and liabilities (C+D+E)		12,988.87	15,239.55

See accompanying notes forming part of the financial statements

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In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Rajesh Kumar Agarwal
Digitally signed by
Rajesh Kumar Agarwal
Date: 2024.06.18
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Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH MAHENDRAKU MAR PATEL
Digitally signed by ARTH
MAHENDRAKUMAR
PATEL
Date: 2024.06.18
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Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH BHADORIA
Digitally signed by
ADITYA SINGH
BHADORIA
Date: 2024.06.18
18:01:45 +05'30'

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED



Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
I. Revenue from operations	20	14,952.31	4,576.50
II. Other income	21	123.08	8.55
III. Total Income		15,075.39	4,585.05
IV. Expenses			
Cost of materials consumed	22	7,902.41	3,809.65
Changes in inventories of finished goods and work-in-progress	23	422.91	(1,628.70)
Employee benefits expense	24	3,441.39	874.52
Finance costs	25	874.88	273.38
Depreciation and amortisation expenses	26	376.43	87.61
Other expenses	27	1,868.46	472.77
Total expenses		14,886.48	3,889.23
V. Profit / Loss before tax (III-IV)		188.91	695.82
VI. Tax expense			
Current tax		-	67.58
Deferred tax charge/ (credit)		52.14	109.42
Tax related to earlier year		2.30	-
Total tax expense		54.44	177.00
VII. Profit for the year/period (V- VI)		134.47	518.82
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of net defined benefit obligation	34	81.47	16.40
Income tax impact on above	28(b)	(20.50)	(4.13)
Other comprehensive income for the year / period		60.97	12.27
IX. Total comprehensive income for the year/period (VII+VIII)		195.44	531.09
X. Earnings per equity share (Face Value Rs. 10/- (previous period Rs. 10/-) per equity share)			
- Basic (in Rupees)	29	333.34	4,039.76
- Diluted (in Rupees)	29	333.34	4,039.76

See accompanying notes forming part of the financial statements

1-48

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Digitally signed by
Rajesh Kumar Agarwal
Date: 2024.06.18
18:47:09 +05'30'

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH
MAHENDRAKUMAR
PATEL

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH BHADORIA
Digitally signed by
ADITYA SINGH
BHADORIA
Date: 2024.06.18
18:02:23 +05'30'

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED



Authorized Signatory

Wonderblues Apparel Private Limited
(CIN: U18100KA2022PTC162480)
Statement of Cash Flows for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the Period 16 June 2022 to 31 March 2023
A. Cash flow from operating activities:		
Profit before tax	188.91	695.81
Adjustment for:		
Depreciation and amortisation expense	376.43	87.61
Finance cost	874.88	273.38
Interest Income	(16.48)	(1.49)
Gain on lease modification	(16.83)	-
Net gain on foreign currency transactions and translation	(3.09)	-
Profit on Sale of Fixed Assets	(0.18)	-
Provision (Reversal) for credit loss and other receivables	(3.65)	6.42
Operating cash flow before working capital changes	1,399.99	1,061.73
Adjustments for working capital changes:		
(Increase) Decrease in trade receivables	1,251.60	(2,227.27)
(Increase) Decrease in other financial assets	(49.83)	98.77
(Increase) Decrease in other assets	(45.61)	(174.57)
(Increase) Decrease in inventories	(369.40)	(51.09)
Increase / (Decrease) in trade payables	44.43	(1,551.95)
Increase / (Decrease) in other financial liabilities	(375.65)	393.32
Increase / (Decrease) in other liabilities	(0.89)	(91.88)
Increase / (Decrease) in provisions	1.77	(2.55)
Cash generated from/(used in) operations	2,056.42	(2,545.41)
Income-tax paid (net)	(45.97)	(215.34)
Net cash flow from/(used in) operating activities (A)	2,010.45	(2,760.75)
Cash flow from investing activities:		
Purchase of Property, Plant and Equipment (including capital work in progress)	(136.49)	(3.57)
Purchase of Intangible assets (Including intangible asset under development)	(14.20)	-
Proceeds from sale of property, plant and equipment	0.20	-
Interest Income	6.30	1.49
Consideration paid on business acquisition	(1,000.00)	(6,033.79)
Net cash flow from/(used in) investing activities (B)	(1,143.79)	(6,035.87)
Cash flow from financing activities:		
Proceeds of issue of share capital (including securities premium)	-	3,200.00
Proceeds from short-term borrowings	3,091.23	4,757.19
Proceeds from long-term borrowings	1,000.00	2,893.97
Repayment of long-term borrowings	(2,423.68)	-
Repayment of short-term borrowings	(1,945.50)	(1,470.00)
Payment of lease liabilities	(240.00)	(58.06)
Interest paid	(58.23)	(229.78)
Net cash generated from/(used in) financing activities (C)	(1,080.14)	9,003.31
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(213.48)	206.70
Cash and cash equivalents at beginning of the year	215.70	9.00
Cash and cash equivalents at end of the year (refer note 11)	2.22	215.70

Notes to Statement of Cash Flows:

2. Cash and Cash Equivalents

	As at 31 March 2024	As at 31 March 2023
(a) Balances with banks	-	-
- In current accounts	0.53	207.37
(b) Cash on hand	1.69	8.33
	2.22	215.70

3. Change in liabilities arising from financing activities

Particulars	As on 31 March 2023	Cash flow		Other Adjustments	As on 31 March 2024
		Inflow	Outflow		
Non-current borrowings	2,803.97	1,000.00	(2,423.68)	-	1,380.29
Current borrowings	3,757.19	3,091.33	(1,945.50)	-	4,903.02
Lease liabilities	-	-	(240.00)	1,082.44	842.44
Total liabilities arising from financing activities	6,561.16	4,091.33	(4,609.18)	1,082.44	7,125.75

Particulars	As on 16 June 2022	Cash flow		Other Adjustments	As on 31 March 2023
		Inflow	Outflow		
Non-current borrowings	-	2,803.97	-	-	2,803.97
Current borrowings	-	4,757.19	(1,470.00)	470.00	3,757.19
Lease liabilities	-	-	(58.06)	1,811.07	1,753.01
Total liabilities arising from financing activities	-	7,561.16	(1,528.06)	2,281.07	3,314.17

See accompanying notes forming part of the financial statements

1-48

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants
Rajesh Kumar
Agarwal

Digitally signed by Rajesh Kumar Agarwal
Date: 2024.06.18 10:51:45 +05:30
Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of

Wonderblues Apparel Private Limited

Arth Mahendrakumar Patel
Digitally signed by Arth Mahendrakumar Patel
Date: 2024.06.18 10:51:45 +05:30

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

Digitally signed by Aditya Singh Bhadoria
ADITYA SINGH BHADORIA
Date: 2024.06.18 18:01:09 +05:30

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Statement of changes in Equity for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	No. of Shares	Amount
As at 16 June 2022	-	-
Add: Issued during the period	40,340	40.34
As at 31 March 2023	40,340	40.34
Add: Issued during the year	-	-
As at 31 March 2024	40,340	40.34

* Refer note 12

B. Other equity

For the year ended 31 March 2024

Particulars	Reserves and Surplus		Total other equity
	Securities premium	Retained earnings	
As at 16 June 2022	-	-	-
Profit for the period	-	518.82	518.82
Other Comprehensive Income	-	12.27	12.27
- Remeasurement of the net defined benefit obligations, net of tax	-	-	-
Total comprehensive income for the year	-	531.09	531.09
Issue of equity shares at premium	3,159.66	-	3,159.66
As at 31 March 2023	3,159.66	531.09	3,690.75
Profit for the year	-	134.47	134.47
Other Comprehensive Income	-	60.97	60.97
- Remeasurement of the net defined benefit obligations, net of tax	-	-	-
Total comprehensive income for the year	3,159.66	726.53	3,886.19
As at 31 March 2024	3,159.66	726.53	3,886.19

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Rajesh Kumar Agarwal
Digitally signed by Rajesh Kumar Agarwal
Date: 2024.06.18 18:48:21 +05'30'

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of

Wonderblues Apparels Private Limited

Arth
MAHENDRAKUMAR PATEL
AR PATEL
Digitally signed by Arth Mahendrakumar Patel
Date: 2024.06.18 18:06:45 +05'30'

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH BHADORIA
Digitally signed by Aditya Singh Bhadoria
Date: 2024.06.18 18:03:32 +05'30'

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 3(a) - Property, plant and equipment

Description of Assets	Plant and Machinery	Vehicles	Office equipment	Computer	Electrical Equipments	Furniture and Fixtures	Total
I. Gross carrying amount							
Balance as at 16 June 2022	-	-	-	-	-	-	-
Additions	0.74	-	-	2.32	-	-	3.06
Assets acquired under business acquisition (refer note no 44)	599.83	52.08	1.97	0.97	3.75	7.31	665.91
Balance as at 31 March 2023	600.57	52.08	1.97	3.29	3.75	7.31	668.97
Additions	89.46	-	8.84	13.28	20.92	3.99	136.49
Deletions/Transfers	-	-	-	0.01	-	-	0.01
Balance as at 31 March 2024	690.03	52.08	10.81	16.56	24.67	11.30	805.45
II. Accumulated depreciation and amortisation							
Balance as at 16 June 2022	-	-	-	-	-	-	-
Depreciation expense for the period 16 June 2022 to 31 March 2023	8.61	1.40	0.08	0.16	0.08	0.16	10.49
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31 March 2023	8.61	1.40	0.08	0.16	0.08	0.16	10.49
Depreciation expense for the year	38.85	5.88	1.28	2.72	1.20	0.88	50.81
Eliminated on disposal of assets	-	-	-	0.00	-	-	0.00
Balance as at 31 March 2024	47.46	7.28	1.36	2.88	1.28	1.04	61.30
III. Net carrying amount (I-II)							
As at 31 March 2024	642.57	44.80	9.45	13.68	23.39	10.26	744.15
As at 31 March 2023	591.96	50.68	1.89	3.13	3.67	7.15	658.48

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WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162480)

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 3(b) - Right of use asset

Description of Assets	Buildings on lease	Total
I. Gross carrying amount		
Balance as at 16 June 2022	-	-
Additions	1,856.26	1,856.26
Adjustment/Deletions	-	-
Balance as at 31 March 2023	1,856.26	1,856.26
Additions	-	-
Adjustment on lease modification	772.27	772.27
Deletions	-	-
Balance as at 31 March 2024	1,083.99	1,083.99
II. Accumulated depreciation		
Balance as at 16 June 2022	-	-
Depreciation expense for the period	51.56	51.56
Eliminated on disposal of assets	-	-
Balance as at 31 March 2023	51.56	51.56
Adjustment on lease modification	2.64	2.64
Depreciation expense for the year	216.80	216.80
Eliminated on disposal of assets	-	-
Balance as at 31 March 2024	271.00	271.00
III. Net carrying amount (I-II)		
As at 31 March 2024	812.99	812.99
As at 31 March 2023	1,804.70	1,804.70

Also refer Note No. 31 for disclosures as required under Ind AS 116 "Lease"

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WONDERBLUES APPARELS PRIVATE LIMITED



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Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162480)

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 4(a) - Goodwill

Particular	As at 31 March 2024	As at 31 March 2023
Cost as at beginning of the year	384.27	-
Assets acquired on acquisition (refer note 43)	-	384.27
Disposals	-	-
Impairment as at beginning of the year	-	-
Impairment during the year	-	-
Impairment as at end of the year	-	-
Net book value as at beginning of the year	384.27	-
Net book value as at end of the year	384.27	384.27

Impairment testing of goodwill:-

The carrying amount of goodwill with indefinite useful life that arose on acquisition of itemised assets of Wonder blues (Partnership Firm) and has been tested against the potential of respective cash generating unit (CGU).

The Company evaluates impairment, if cash generating units (CGUs) have identified impairment indicators. Impairment is recognised, when the carrying amount of CGUs including goodwill, exceeds the estimated recoverable amount of CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to respective the cash generating unit (CGU). CGUs which have goodwill allocated to them are tested for impairment at least annually or more frequently if there are any indications that the goodwill may be impaired. The recoverable value of CGU is estimated based on the discounted cash flows method.

The recoverable amount of CGU has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which cover future periods of 5 years.

Key assumptions for the value in use calculation are those regarding weighted average cost of capital and terminal growth rate. Other assumption includes expected changes to selling prices, raw material costs, demand, exchange rates. Changes in selling prices, raw material costs, exchange rates and demand are based on expectations of future changes in the market based on external market sources.

The management believes that no reasonably possible change in the key assumptions used in value in use calculation would cause the carrying value of CGU to materially exceed its value in use.

The estimated recoverable amount of CGU exceeded its carrying amount and accordingly, no impairment was recognized for goodwill as at 31 March 2024.

Significant Cash Generating Units (CGU)

The Company has identified only one reportable segments, i.e. Garments as the CGU. The goodwill and indefinite-life intangible assets acquired through business combinations have been allocated to CGU 'Garments'. The carrying amount of goodwill and indefinite-life intangible asset (Brand Name) is as under:

Particular	As at 31 March 2024	As at 31 March 2023
Goodwill	384.27	384.27
Brand Name	3,550.00	3,550.00
Total	3,934.27	3,934.27

The recoverable amount of each CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Following key assumptions were considered while performing Impairment testing

Particular	As at 31 March 2024	As at 31 March 2023
Average Annual Growth rate for 5 years	20%	20%
Terminal Growth rate	3%	3%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate)	17.50%	17.50%

The projections cover a period of ten years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first ten years are based on past performance, and on the Company's ten-year strategic plan.

The Company has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

WONDERBLUES APPARELS PRIVATE LIMITED

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Wonderblues Apparel's Private Limited
(CIN: U18109KA2022PTC162480)
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 4(b) - Other intangible assets

Description of Assets	Brand name	Computer Software	Customer Relationship	Non-compete agreement	Total
I. Gross carrying amount					
Balance as at 16 June 2022	-	-	-	-	-
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
Intangible assets acquired under business acquisition (refer note no. 43)	3,550.00	10.75	1,200.00	71.00	4,831.75
Balance as at 31 March 2023	3,550.00	10.75	1,200.00	71.00	4,831.75
Additions	-	14.20	-	-	14.20
Deletions	-	-	-	-	-
Balance as at 31 March 2024	3,550.00	24.95	1,200.00	71.00	4,845.95
II. Accumulated amortisation					
Balance as at 16 June 2022	-	-	-	-	-
Amortisation expense for the period 16 June 2022 to 31 March 2023	-	0.85	19.07	5.64	25.56
Deletions	-	-	-	-	-
Balance as at 31 March 2023	-	0.85	19.07	5.64	25.56
Amortisation expense for the year	-	5.15	80.00	23.67	108.82
Deletion	-	-	-	-	-
Balance as at 31 March 2024	-	6.00	99.07	29.31	134.38
III. Net carrying amount (I-II)					
As at 31 March 2024	3,550.00	18.95	1,100.93	41.69	4,711.57
As at 31 March 2023	3,550.00	9.90	1,180.93	65.36	4,806.19

The Company evaluates the estimated remaining life of intangible assets (except brand name) and it ranges upto 15 Years from the date of put to use. The estimated useful life of brand name is indefinite.

FY 2023-24

Useful life of other intangible	Computer Software	Brand name	Customer Relationship	Non-compete agreement	Total
Less than 1 years	-	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	18.95	-	-	41.69	60.64
3-15 years	-	-	1,100.93	-	1,100.93
Indefinite life	-	3,550.00	-	-	3,550.00
Total	18.95	3,550.00	1,100.93	41.69	4,711.57

FY 2023-24

Useful life of other intangible	Computer Software	Brand name	Customer Relationship	Non-compete agreement	Total
Less than 1 years	-	-	-	-	-
1-2 years	-	-	-	-	-
2-3 years	9.90	-	-	65.36	75.26
3-15 years	-	-	1,180.93	-	1,180.93
Indefinite life	-	3,550.00	-	-	3,550.00
Total	9.90	3,550.00	1,180.93	65.36	4,806.19

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WONDERBLUES APPAREL'S PRIVATE LIMITED



Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 5 Other financial assets

Unsecured, considered good

Security Deposits

Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
-	113.63	-	63.81
-	113.63	-	63.81

Note No. 6 Income tax assets/ liabilities (net)

Advance tax

Provision for Tax

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
102.03	-	215.34	-
-	-	(67.58)	-
102.03	-	147.76	-

Note No. 7 Deferred tax assets/(Liabilities)

Tax effect of items constituting deferred tax liabilities

On the difference between book balance of property, plant and equipment and intangible asset

Tax effect of items constituting deferred tax assets

Right of use

Provision for employee benefits

Provisions for expected credit loss

Provisions for expense

Unabsorbed Depreciation

As at 31 March 2024		As at 31 March 2023	
	409.64		155.92
	409.64		155.92
	7.41		3.64
	34.71		36.21
	0.70		1.62
	-		0.90
	180.64		-
	223.46		42.37
	(186.18)		(113.55)

Deferred tax assets/(liabilities) (net)

Note No. 8 Other assets

Balances with government authorities

Advance to suppliers

Advance to employees

Prepaid expenses

Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
142.69	-	96.69	-
51.00	-	58.52	-
10.56	-	12.20	-
16.93	-	8.16	-
221.18	-	175.57	-

Note No. 9 Inventories

Inventories (at lower of cost and net realisable value)

Raw materials

Stores consumables

Work-in-progress

Finished goods

Total

As at 31 March 2024		As at 31 March 2023	
	1,229.57		695.86
	63.78		171.44
	667.40		849.61
	704.65		779.09
	2,665.40		2,496.00

Included above, goods-in-transit:

Raw materials

Finished Goods

Total

	161.20		343.97
	166.26		-
	327.46		343.97

The cost of inventories recognised as an expense during the year was Rs. 8,325.32 lakhs (previous period Rs. 2,180.95 lakhs).

Note No. 10 Trade receivables

Secured, considered good

Unsecured, considered good

Receivables which have significant increase in credit risk

Less: allowance*

Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
-	-	-	-
3,231.43	-	4,487.07	-
2.77	-	6.42	-
(2.77)	-	(6.42)	-
3,231.43	-	4,487.07	-

Refer Note no. 10 (a) for Trade receivable ageing schedule

*** Movement in expected credit loss:**

Balance at the beginning of the year

Provision recognised during the year / period

Provision reversed during the year / period

As at 31 March 2024		As at 31 March 2023	
	6.42		-
	-		6.42
	3.65		-
	2.77		6.42

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WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 11 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
(a) Balance with Bank		
- In current accounts	0.53	207.37
(b) Cash on hand	1.69	8.33
Total	2.22	215.70

Note No. 12 Equity share capital

(a) Share capital

Authorised

1,00,000 Equity Shares of Rs. 100/- each

As at 31 March 2024		As at 31 March 2023	
No. of Shares	Amount	No. of Shares	Amount
100,000	100.00	100,000	100.00
100,000	100.00	100,000	100.00

Issued, subscribed and fully paid-up equity shares

40,340 Equity Shares of Rs. 100/- each

As at 31 March 2024		As at 31 March 2023	
No. of Shares	Amount	No. of Shares	Amount
40,340	40.34	40,340	40.34
40,340	40.34	40,340	40.34

(b) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity Shares

At the beginning of the year
Add: Shares issued during the year / period*
At the end of the year

As at 31 March 2024		As at 31 March 2023	
No. of Shares	Amount	No. of Shares	Amount
40,340	40.34	-	-
-	-	40,340	40.34
40,340	40.34	40,340	40.34

* The Company has issued 39,340 equity shares of Rs. 100 each fully paid-up at a premium of Rs. 8,031.68 per share on 04.01.2023.

(c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by ultimate holding company / holding company and / or their subsidiaries

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Holding Company				
OFG Manufacturing Businesses Private Limited	40,340	40.34	40,340	40.34

(e) Details of shareholders holding more than 5% shares in the Company

Equity Shares

OFG Manufacturing Businesses Private Limited

As at 31 March 2024		As at 31 March 2023	
No. of shares	% holding	No. of shares	% holding
40,340	100.00%	40,340	100.00%

(f) Change in promoters shareholding

i) Equity shares

Promoter Name

Equity shares of Rs. 100 each fully paid up held by:
OFG Manufacturing Businesses Private Limited *

As at 31 March 2024		As at 31 March 2023	
No. of Shares	% of total shares	No. of Shares	% of total shares
40,340	100.00%	40,340	100.00%

*One share is held by Ashish Mohapatra as nominee of OFG Manufacturing Pvt Ltd

Note No. 13 Other equity

Details of Reserves and Surplus

(a) Securities Premium

Opening Balance
Add: Securities premium on issue of equity shares
Closing Balance

As at 31 March 2024		As at 31 March 2023	
3,159.66	-	-	-
-	-	-	-
3,159.66	3,159.66	3,159.66	3,159.66

(b) Retained Earnings

Opening balance
Add: Profit/(loss) for the year
Add: Other Comprehensive Income (net of tax)
Closing balance

531.09	-	-	-
134.47	-	-	518.82
60.96	-	-	12.27
726.52	726.52	531.09	531.09

Total Reserve & Surplus

3,886.18	3,886.18	3,690.75	3,690.75
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Nature and purpose of reserves and surplus:

(a) Securities premium: Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act 2013.

(b) Surplus/(Deficit) in Statement of Profit and Loss: Represents the amount of accumulated profits earned by the Company till date.

Note No. 14 Borrowings

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Secured				
- Cash credit from bank	2,683.51	-	567.18	-
Unsecured				
Loans from related parties	-	2,085.78	-	3,200.00
Working Capital demand loan from related party	475.00	-	1,600.00	-
Loans repayable on demand				
- Bill Discounting from Aditya Birla Finance Limited	1,039.02	-	1,193.98	-
Total secured and unsecured borrowings	4,197.53	2,085.78	3,361.16	3,200.00
Less: Current maturities of non current borrowings	705.49	(705.49)	396.03	(396.03)
Total	4,903.02	1,380.29	3,757.19	2,803.97

Note No. 15 Lease liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Measured at Amortised Cost				
Lease Liabilities	171.29	671.15	75.94	1,677.06
Total	171.29	671.15	75.94	1,677.06

Note No. 16 Other financial liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Measured at Amortised Cost				
Security deposits	-	-	15.00	-
Other payables*	-	-	1,010.22	-
Book Overdraft	-	-	378.31	-
Interest accrued and due on borrowings	27.88	-	-	-
Total	27.88	-	1,403.53	-

*Includes balance consideration of Rs. 1,010.22 lakhs payable within next 12 months subject to certain conditions as per business transfer agreement.

Note No. 17 Provisions

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Provisions for employee benefits				
Gratuity (refer note no 34)	8.03	176.64	16.31	179.66
Leave Encashment	10.56	83.99	2.70	78.78
Total	18.59	260.63	19.01	258.44

Note No. 18 Other liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Advance received from customers	0.95	-	-	-
Statutory dues payable	74.88	-	76.72	-
Total	75.83	-	76.72	-

Note No. 19 Trade payables

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,367.48	-	1,323.05	-
Total	1,367.48	-	1,323.05	-

Refer Note No. 19(a) for Trade payable ageing schedule

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 10(a) Trade Receivables ageing schedule:

i) As at 31 March 2024

Particulars	Outstanding for following period from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	2,647.69	583.57	0.17	-	-	-	3,231.43
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	2.71	0.06	-	-	-	2.77
(i) 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	-	-	-	-	-	-	-
	<u>2,647.69</u>	<u>586.28</u>	<u>0.23</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,234.20</u>
Less: Loss Allowance							<u>(2.77)</u>
Total	<u>2,647.69</u>	<u>586.28</u>	<u>0.23</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,231.43</u>

ii) As at 31 March 2023

Particulars	Outstanding for following period from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered good	3,535.86	946.67	4.55	-	-	-	4,487.08
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	4.90	1.52	-	-	-	6.42
(i) 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	-	-	-	-	-	-	-
	<u>3,535.86</u>	<u>951.57</u>	<u>6.07</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,493.50</u>
Less: Loss Allowance							<u>(6.42)</u>
Total	<u>3,535.86</u>	<u>951.57</u>	<u>6.07</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,487.08</u>

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 19 (a) Trade payables ageing schedule:

i) As at 31 March 2024

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(i) Others	1,179.74	184.90	2.84	-	-	1,367.48
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,179.74	184.90	2.84	-	-	1,367.48

i) As at 31 March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(i) Others	1,173.18	149.87	-	-	-	1,323.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,173.18	149.87	-	-	-	1,323.05

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 Notes to the financial statements for the year ended 31 March 2024
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Note No. 14 Borrowings (continued)

i) Cash credit, repayable on demand		As at 31 March 2024	As at 31 March 2023	Rate of interest	Repayment terms	Security and other terms
A. Secured						
Particulars	As at 31 March 2024	As at 31 March 2023		Rate of interest	Repayment terms	Security and other terms
- Working Capital - Credit Facility (HDFC Bank)	2,683.51	567.18		Interest @ 8.00% p.a	On demand	Primary:- The loan is secured by way of: - First exclusive charge by way of hypothecation on the current assets of the Company both present and future; - The loan is hypothecation on movable fixed assets of the Company both present and future.
	2,683.51	567.18				

ii) Cash Credit Facility from related party (Unsecured)		As at 31 March 2024	As at 31 March 2023	Rate of interest	Repayment terms	Security and other terms
A. Unsecured						
Particulars	As at 31 March 2024	As at 31 March 2023		Rate of interest	Repayment terms	Security and other terms
- OFB Tech Private Limited	475.00	1,600.00		Interest @ 15% p.a	On demand	NA
	475.00	1,600.00				

iii) Term loans from related party (Unsecured)		As at 31 March 2024	As at 31 March 2023	Rate of interest	Repayment terms	Security and other terms
A. Unsecured						
Particulars	As at 31 March 2024	As at 31 March 2023		Rate of interest	Repayment terms	Security and other terms
- OFB Tech Private Limited	1,085.78	3,200.00		Interest @ 15% p.a	- Payment of interest only beginning from 05.01.2023 to 01.06.2023 - Repayment of principal and interest beginning with 01.07.2023 to 01.12.2027 in EMI Rs. 81,84,148 each. - Payment of only interest beginning from 26.01.2024 to 31.07.2024	NA
- OFB Tech Private Limited	800.00	-		Interest @ 15% p.a	- Payment of principal and interest both will begin from 01.08.2024 to 31.01.2029 in EMI Rs. 20.46 Lakh each. - Payment of only interest beginning from 20.03.2024 to 30.09.2024	NA
- OFB Tech Private Limited	200.00	-		Interest @ 15% p.a	- Repayment of principal and interest both will begin from 01.10.2024 to 31.03.2029 in EMI Rs. 5.11 Lakh each.	NA
	2,085.78	3,200.00				

iv) Bill Discounting from Aditya Birla Finance Limited		As at 31 March 2024	As at 31 March 2023	Rate of interest	Repayment terms	Security and other terms
A. Unsecured						
Particulars	As at 31 March 2024	As at 31 March 2023		Rate of interest	Repayment terms	Security and other terms
- Bill Discounting	1,039.02	1,193.58		Interest @ 10.25% p.a (short term reference rate of ABFL (STRR) +/- spread) STRR at present is 19.00% Spread at present is -850bps (or 50%)	- Repayable on demand	NA
	1,039.02	1,193.58				

There are no defaults as on reporting date in repayment of principal and interest.

v) Borrowing based on security of current assets

The Company has obtained various borrowings from banks financial institution on basis of security of current assets wherein the quarterly returns/statements of current assets as filed with banks financial institution are in agreement with the books.

- For the year ended 31 March 2024.

The quarterly returns/statements read with subsequent revisions filed by the Company with the banks are in agreement with the books of accounts.

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 20 Revenue from operations

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
(a) Revenue from sale of products (Refer note no. 32)	14,947.63	4,576.50
(b) Other operating revenue	4.68	-
Total	14,952.31	4,576.50
A) Break-up of revenue from operations:		
I) Disaggregation of revenue based on major products and services:		
(a) Revenue from sale of products		
Sale of products	14,947.63	4,576.50
- Ready-made garments	14,947.63	4,576.50
(b) Other operating revenue		
Duty drawback received	4.68	-
	4.68	-
II) Disaggregation of revenue based on major geographical location:		
India	14,716.96	4,576.50
Outside India	235.35	-
	14,952.31	4,576.50

Note No. 21 Other income

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Interest income from financial assets carried at amortised cost:		
- Bank deposits	0.15	-
- Security deposit	9.79	1.54
Interest Income for delayed payment	-	1.49
Discount income	82.42	4.05
Reversal of provision for expected credit loss on trade receivables (refer note 37)	3.65	-
Net gain on foreign currency transactions and translation	3.09	0.05
Profit on sale of property, plant and equipment	0.18	-
Interest - IT Refund	6.54	-
Gain on lease modification	16.83	-
Miscellaneous income	0.43	1.42
Total	123.08	8.55

Note No. 22 Cost of materials consumed

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Raw materials consumed		
Opening Stock *	351.88	-
Add : Purchases during the year/period	6,445.78	3,951.87
Less: Closing Stock *	1,068.37	351.88
	5,729.29	3,599.99
Consumables		
Opening Stock	171.44	-
Add : Purchases	2,065.46	381.10
Less: Closing Stock	63.78	171.44
	2,173.12	209.66
Total	7,902.41	3,809.65
*Excluding Goods-in-transit		

Note No. 23 Changes in inventories of finished goods and work in progress

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Inventories at the end of the year:		
Work-in-progress	667.40	849.61
Finished goods *	538.39	779.09
	1,205.79	1,628.70
Inventories at the beginning of the year:		
Work-in-progress	849.61	-
Finished goods	779.09	-
	1,628.70	-
Net decrease/(increase) in inventories of finished goods and work in progress	422.91	(1,628.70)
*Excluding Goods-in-transit		

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Note No. 24 Employee benefits expense

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Salaries and wages, including bonus	3009.98	772.90
Contribution to provident and other funds	302.16	69.80
Staff welfare expenses	31.99	4.30
Gratuity Expenses (refer note 34)	97.26	27.52
Total	3,441.39	874.52

Note No. 25 Finance costs

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Interest expense on financial liabilities carried at amortised cost:		
- borrowings from banks	124.47	0.48
- loan from related parties	437.82	182.88
- borrowing from others	163.82	-6.42
- lease liabilities	99.47	-43.60
Interest expense on delayed payment of statutory dues	1.14	-
Other borrowing cost	57.16	-
Total	874.88	273.38

Note No. 26 Depreciation and amortisation expenses

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Depreciation on property, plant and equipment	56.81	10.49
Depreciation of right of use assets	216.80	51.56
Amortisation of other intangible assets	108.82	25.56
Total	376.43	87.61

Note No. 27 Other expenses

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Freight and Cartage	192.20	46.45
Fuel, electricity and water charges	231.30	57.93
Job work charges	553.53	200.12
Tour, travelling and conveyance expenses	57.50	7.11
Legal and professional fees	309.06	29.16
Hire Charges	77.94	15.78
Printing and stationery expenses	8.11	1.70
Postage and Courier	13.73	1.15
Security expenses	74.79	16.66
Telephone and fax expenses	2.44	1.14
Rent including lease rentals (refer note 31)	6.00	-
Rates and taxes	1.75	10.01
Insurance expenses	12.90	2.11
Testing and certification charges	37.75	7.35
Repairs and maintenance	183.09	55.36
Business promotion expenses	20.18	1.73
Marketing expenses	14.60	1.20
Auditors remuneration		
- As statutory auditor	11.50	1.25
- As tax auditor	1.00	0.25
Expenditure on corporate social responsibility	14.00	-
Bank charges	1.20	6.59
Office expenses	28.78	2.07
Provision for expected credit loss on trade receivables	-	6.42
Donation	5.18	0.76
Miscellaneous expenses	9.93	6.37
Total	1,868.46	472.77

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(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 28 Taxes

(a) Income tax recognised in profit and loss

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
(a) Current tax	2.30	67.58
(b) Deferred tax charge/ (credit)	52.14	109.42
Total	54.44	177.00

(b) Income tax recognised in other comprehensive income (OCI)

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Deferred tax charge/ (credit) on remeasurement of defined benefit plan	20.50	4.13
Total	20.50	4.13

(c) Tax reconciliation

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Profit before tax	188.91	695.82
Applicable tax rate	25.17%	25.17%
Income tax expenses calculated at above rate	47.54	175.12
Tax effect of:		
- Expenses incurred non deductible	6.13	-
- Others	0.77	1.88
Total	54.44	177.00

(d) Deferred Tax Movement as on 31st March 2024

Particulars	Deferred Tax Assets/ (Liability) as at 01 April 2023	(Charged)/ credited to:			Deferred Tax Assets/ (Liability) as at 31 March 2024
		Profit and loss	Other comprehensive income	Equity	
On the difference between book balance and tax balance of property, plant and equipment and other intangible assets	(155.92)	(253.73)	-	-	(409.64)
Right of use asset	3.64	3.77	-	-	7.41
Provision for employee benefits	36.21	19.00	(20.50)	-	34.71
Provisions for doubtful advances	1.62	(0.92)	-	-	0.70
Expenses allowed on paid basis	0.90	(0.90)	-	-	-
Unabsorbed depreciation	-	180.64	-	-	180.64
Total	(113.55)	(52.14)	(20.50)	-	(186.18)

(e) Deferred Tax Movement for the period 16 June 2022 to 31 March 2023

Particulars	Deferred Tax Assets/ (Liability) as at 16 June 2022	(Charged)/ credited to:			Deferred Tax Assets/ (Liability) as at 31 March 2023
		Profit and loss	Other comprehensive income	Equity	
On the difference between book balance and tax balance of property, plant and equipment and other intangible assets	-	(155.92)	-	-	(155.92)
Right of use asset	-	3.64	-	-	3.64
Provision for employee benefits	-	40.34	(4.13)	-	36.21
Provisions for doubtful advances	-	1.62	-	-	1.62
Provision for expense	-	0.90	-	-	0.90
Total	-	(109.42)	(4.13)	-	(113.55)

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 29 Earnings Per Share (EPS)

Basic earnings per share

The calculation of basic earnings per share for the year ended 31st March 2024 was based on the earnings attributable to equity shareholders of Rs. 134.47 lakhs (31 March 2023: Rs. 518.82 lakhs) and weighted average number of equity shares outstanding of 40340 (31 March 2023: 12843).

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March 2024 was based on the earnings attributable to equity shareholders of Rs. 134.47 lakhs (31 March 2023: Rs. 518.82 lakhs) and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares of 40340 (31 March 2023: 12843).

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Net profit attributable to equity shareholders (Rs. in lakhs)	134.47	518.82
Calculation of weighted average number of equity shares -		
Number of equity shares at the beginning of the year	40,340	-
Number of equity shares outstanding as at the end of the year	40,340	40,340
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	40,340	12,843
Weighted average number of equity shares outstanding during the year for calculation of diluted earnings per share	40,340	12,843
Nominal value of equity shares (Rs.)	10	10
*Basic earnings per equity share (Rs.)	333.34	4,039.76
Diluted earnings per equity share (Rs.)	333.34	4,039.76

Note No. 30 Contingent liabilities and commitments

(i) Contingent Liabilities:

(a) The Company does not have any pending litigation which would impact its financial position.

(b) The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

(ii) Commitments:

The Company does not have any commitments which would impact its financial position.

Note No. 31 Disclosures as required under Ind AS 116 Leases

The Company has entered into lease agreements for acquiring space to do its day to day operations. Such lease contracts include monthly fixed payments for rentals.

The lease contracts are generally cancellable at the option of lessee during the lease tenure after the completion of non cancellable period. There are no significant restrictions imposed under the lease contracts.

A. Below are the summary of financial information related to the above lease contracts for office space:

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Amortization expense on Right-of-use (ROU) assets recognized during the year	216.80	51.56
Interest expense on lease liability	90.47	43.60
Carrying amount of ROU assets as on the reporting date	812.99	1,804.70
Total cash outflow for leases	240.00	58.07
Lease liability as on the reporting date	842.44	1,753.00

B. Movement in lease liabilities during the Period 31 March 2023 to 31 March 2024:

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Opening Balance/ Balance as at 16th June 2022	1,753.00	-
Additions	-	1,767.47
Finance cost accrued during the year	90.47	43.60
Lease modification adjustment	(761.03)	-
Payment of lease liabilities	(240.00)	(58.07)
Total	842.44	1,753.00

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C. The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	671.15	1,677.06
Current lease liabilities	171.29	75.94
Total	842.44	1,753.00

D. The table below provides details regarding the contractual maturities of lease liabilities on an discounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	171.29	75.94
One to five years	671.15	820.49
More than five years	0.00	856.57
Total	842.44	1,753.00

E. Below is the amount recognised by the Company in the statement of cash flows:

Particulars	As at 31 March 2024	As at 31 March 2023
Total cash outflow for leases	240.00	58.07

There are no contingent lease/license fees payments.

F. Other disclosures

a) The incremental borrowing rates as at each reporting date is as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Weighted-average incremental borrowing rate	10%	10%

b) As at 31 March 2024 & 31 March 2023, the Company does not have any material related party leases as a lessee. The Company does not have any sale-leaseback arrangements as lessee and typically does not enter into leveraged leases.

Note No. 32 Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables (current and non-current) (refer note 10)	3,231.43	4,487.07
Advance received from customers (refer note 16)	0.95	-

Revenue is recognised at point of time on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled for invoicing is done, contract assets are classified to trade receivables.

Advance received from customers are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

Movement of contract balances

(i) Advances received from customers

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Balance as at the beginning of the year	-	-
Amount received during the year	0.95	-
Performance obligations satisfied in current year	-	-
Balance as at the end of the year	0.95	-

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Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)

Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 33 Operating segments

The Company is primarily in the business of garments. The Company's segments are reviewed by the Chief Operating Decision Maker does not result into identification of different ways sources into which they see the performance of the Company. Therefore, there is no reportable segment. Hence the disclosure requirements in terms of IND AS 108 "Operating Segments" are not applicable.

Information about major customer:

The Company has four customer whose revenue represents 55.96% amounting to Rs. 83.65 Crores (31 March 2023: four customers whose revenue represents 60.12% amounting to Rs. 25.94 Crores) of the Company's total revenue.

Information about geographical areas:

a) Revenue from customers

Particulars	As at 31 March 2024	As at 31 March 2023
Domestic	14,716.96	4,576.50
Export	235.35	-
Total	14,952.31	4,576.50

b) Information about Total assets

Particulars	As at 31 March 2024	As at 31 March 2023
Domestic	12,878.86	15,239.55
Export	110.00	-
Total	12,988.87	15,239.55

Domestic information includes sales and services to customers located in India.

Overseas information includes sales and services rendered to customers located outside India

Note No. 34 Employee Benefits

A. Post employment benefit plans

i) Defined contribution plans

The Company makes contributions, determined as specified percentage of employee salaries in respect of qualifying employees towards provident fund, employees state insurance and labour welfare fund, which are defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to statement of profit and loss as they accrue. The amount recognised as expense towards contribution to provident fund, state insurance and labour welfare fund aggregated to Rs.302.16 lakhs (Previous period Rs. 69.80 lakhs).

ii) Defined benefit plans

The Gratuity amount has been computed based on respective employee's salary and the years of employment with the Company. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried by an independent actuary.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and the Statement of Profit and Loss.

I. Net liability recognised in the Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	184.67	195.97
Net Liability recognised in Balance Sheet	184.67	195.97

II. Expense recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2024	As at 31 March 2023
Current Service Cost	82.63	24.22
Interest cost on the net defined benefit liability/ (asset)	14.63	3.30
Expense recognised in the Statement of Profit and Loss	97.26	27.52

III. Remeasurement recognised in the Other Comprehensive Income

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial (gains)/ losses	-	-
- Change in demographic assumptions	(11.05)	-
- Change in financial assumptions	(22.97)	-
- Experience adjustments (i.e. actual experience vs assumptions)	(47.44)	(16.40)
Remeasurement recognised in the Other Comprehensive Income	(81.46)	(16.40)

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

IV. Movement in the present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation at beginning of year / date of acquisition	195.97	184.86
Current Service cost	82.63	24.21
Past Service Cost	-	-
Interest cost	14.63	3.30
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(11.05)	-
- Change in financial assumptions	(22.97)	-
- experience variance (i.e. Actual experience vs assumptions)	(47.44)	(16.40)
Benefits paid	(27.10)	-
Present value of defined benefit obligation as at end of the year	184.67	195.97

V. Bifurcation of present value of obligation at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (Short term)	8.03	16.31
Non-current liability (Long term)	176.64	179.66

VI. Principal actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.45%
Salary growth rate (per annum)	7.00%	8.00%
Retirement age (in years)	58.00	58.00
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate (per annum)		
-18 to 30 years	6.00%	3.00%
-31 to 44 years	9.00%	2.00%
-Above 45 years	3.00%	1.00%

VII. Sensitivity analysis

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

Particulars	Increase	Decrease
As at 31 March 2024		
Discount rate (1% movement)	(166.78)	205.58
Salary growth rate (1% movement)	205.41	(166.59)
Attrition Rate (50% movement)	(177.14)	192.33
Mortality Rate (10% movement)	184.70	184.66
As at 31 March 2023		
Discount rate (1% movement)	(169.47)	228.55
Salary growth rate (1% movement)	228.64	(169.37)
Attrition Rate (50% movement)	(191.95)	200.22
Mortality Rate (10% movement)	195.93	196.00

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

VIII. Risk exposure

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

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

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

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

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20 Lakhs).

IX. Expected maturity analysis of the defined benefit plans in

Particulars	As at 31 March 2024	As at 31 March 2023
Upto 1 year	8.03	16.31
Between 2 to 5 years	51.53	19.18
Between 6 to 10 years	79.33	47.77
More than 10 years	320.46	686.81
Total	459.35	770.07

The weighted average duration of the defined benefit plan obligation as at 31 March 2024 is 11 years.
The weighted average duration of the defined benefit plan obligation

B. Long term Employee Benefits (Compensated Absences)

I. Bifurcation of present value of obligation at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (Short term)	10.56	2.70
Non-current liability (Long term)	83.99	78.78

II. Principal actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.45%
Salary growth rate (per annum)	7.00%	8.00%
Retirement age	58.00	58.00
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate		
-18 to 30 years	6.00%	3.00%
-31 to 44 years	9.00%	2.00%
-Above 44 years	3.00%	1.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 35 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no dues to Micro and Small Enterprises for the year ended 31 March 2024 & 31 March 2023.

Particulars	As at 31 March 2024	As at 31 March 2023
(i) the principal amount and interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by auditors.

Note No. 36 Related Party Disclosures

(a) Names of related parties and related party relationships

Ultimate holding Company
Holding Company

OFB Tech Private Limited (with effect from 22 September 2022)
OFG Manufacturing Businesses Private Limited (with effect from 22 September 2022)

Key managerial personnel

Arif Mahendrakumar Patel (Appointed with effect from 02 Dec 2022)
Aditya Singh Bhadoria (Appointed with effect from 02 Dec 2022)
Sakhardande Naresh Dinanath (Appointed with effect from 02 Dec 2022)
Munsunuru Niruparami (Cesed with effect from 02 Dec 2022)
Munsunuru Pratap kumar (Cesed with effect from 02 Dec 2022)
Sakhardande Naresh Dinanath (Cesed with effect from 31 Mar 2024)

(b) Transactions with related parties

Name of Related Party	Nature of Transaction	For the year ended 31 March 2024	For the period 16 June 2022 to 31
OFB Tech Private Limited	Loan Taken	1,975.00	5,800.00
	Loan Repaid	4,214.22	1,000.01
	Interest on Loan	437.82	182.88
	Processing Fees and Business Auxiliary Service	63.07	4.50
	Professional Services	90.73	17.39
	Purchase of Property, plant and equipment	-	0.27
OFG Manufacturing Businesses Pvt Ltd	Purchase of equity shares	-	3,199.00
	Reimbursement of expense	-	0.10
Munsunuru Pratap kumar	Purchase of equity shares	-	0.50
	Rent expense	120.00	29.03
Munsunuru Pratap kumar	Legal & Professional Charges	59.00	-
	Rent expense	120.00	29.03
Munsunuru Niruparami	Purchase of equity shares	-	0.50
	Reimbursement of expense	9.77	-
Aditya Singh Bhadoria	Salary Expenses	18.98	-
	Reimbursement of expense	0.24	5.26

(c) Outstanding balances

Name of Related Party	Nature of Transaction	As at 31 March 2024	As at 31 March 2023
OFB Tech Private Limited	Loan Payable	2,560.78	4,799.99
	Interest payable	27.88	-
	Trade Payable	102.35	21.16
Munsunuru Pratap kumar	Trade Payable	10.80	-
Munsunuru Niruparami	Trade Payable	10.80	-
Aditya Singh Bhadoria	Trade Payable	0.52	-

(d) Terms and conditions of transactions with related parties

The transactions with related parties are made on term equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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Wonderblues Apparel Private Limited

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Notes to financial statements for the year ended 31 March 2024

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 37 Financial risk management objectives and policies

The Company's principal financial liabilities comprises of borrowings, trade payables, lease liabilities, other financial liabilities and financial assets includes trade receivables, cash and cash equivalents, bank balances, other financial assets that derive directly from its operations. The Company's financial risk management is an integral part of business plan and execution of business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

A. 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 comprises of foreign currency risk and interest rate risk. Financial instruments affected by market risk include borrowings, loan and deposits.

i) 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 exchange rates. The Company is not exposed to any foreign currency risk as there is no material transaction in foreign currency.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial instruments as at 31 March 2024 & 31 March 2023 are as below:

Particulars	As at 31 March 2024
Advance to Supplier (USD in Lakhs)	0.17
Trade receivables (USD in Lakhs)	1.15
Net exposure (Foreign exchange) (USD in Lakhs)	1.32
Net exposure (INR in Lakhs)	116.00

Particulars	As at 31 March 2023
Trade payables (USD in Lakhs)	0.14
Net exposure (Foreign exchange) (USD in Lakhs)	0.14
Net exposure (INR in Lakhs)	11.84

Sensitivity analysis

A strengthening of the Indian Rupee, as indicated below, against USD would have increased(decreased) profit or loss (before tax) by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Strengthening	Weakening	Strengthening	Weakening
5% movement (INR/USD)	5.50	(5.50)	0.59	(0.59)
Total	5.50	(5.50)	0.59	(0.59)

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

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

Particulars	As at	As at
	31 March 2024	31 March 2023
Variable rate borrowings	3,722.53	1,761.16
Total	3,722.53	1,761.16

Sensitivity analysis

Variable interest rate loans are exposed to interest rate risk, the impact on profit before tax may be as follows:

Particulars	As at	As at
	31 March 2024	31 March 2023
Interest rate- increase by 100 basis points (100 bps)	(17.23)	(17.61)
Interest rate- decrease by 100 basis points (100 bps)	37.23	17.61

B. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The carrying amount of all financial assets represents the maximum credit exposure.

(i) Trade receivables

The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

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Financial assets to which loss allowance is measured using lifetime /12 months Expected Credit Loss (ECL) as on 31 March 2024 and 31 March 2023.

Exposure to credit risk:

Particulars	Gross Carrying Amount	Expected credit loss provision	Carrying amount net of provision
As at 31 March 2024	3,234.20	(2.77)	3,231.43

Exposure to credit risk:

Particulars	Gross Carrying Amount	Expected credit loss provision	Carrying amount net of provision
As at 31 March 2023	4,493.48	(6.47)	4,487.01

(ii) Cash and bank balances

The Company held cash and bank balances of Rs. 2.22 lakhs (31 March 2023: Rs. 215.7 lakhs).

(iii) Others

Other than receivables reported above, the Company has no other material financial assets which carries any significant credit risk.

C. Liquidity risk

Liquidity risk is defined as the risk that Company will not be able to settle its obligation on time or at a reasonable price. The Company's objective is to all time maintain optimum level of equity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

As at 31 March 2024	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Borrowings	4,339.69	168.61	394.72	1,380.29	6,283.31
Lease liabilities	39.77	40.77	90.75	671.15	842.44
Trade payables	1,361.00	6.48	-	-	1,367.48
Other financial liabilities	-	-	-	-	-
Total	5,740.46	215.86	485.47	2,051.44	8,493.23

As at 31 March 2023	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Borrowings	3,361.16	127.12	268.91	2,803.97	6,561.16
Lease liabilities	22.53	22.98	30.44	1,677.06	1,753.01
Trade payables	1,323.05	-	-	-	1,323.05
Other financial liabilities	15.43	-	-	1,000.00	1,015.43
Total	4,722.17	150.10	299.35	5,481.03	10,652.65

Note No. 38 Capital management

For the purpose of Company's capital management, capital includes equity capital and all other equity reserves attributable to equity shareholders. The primary objective of Company's capital management is to ensure that it maintains an effective capital structure and maximize shareholder's value. The Company manages its capital structure and makes adjustments in light of change in economic conditions.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital.

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

Particulars	As at 31 March 2024	As at 31 March 2023
Debt*	6,283.31	6,561.16
Less: Cash and bank balances	2.22	215.70
Net Debts	6,281.09	6,345.46
Total Equity	3,926.53	3,731.09
Net Debt to Equity Ratio	1.60	1.70

*Includes current and non-current borrowings.

Note No. 39 Financial Instruments by category

A. The classification of financial assets and financial liabilities by accounting categorisation for the year are as follows:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amortised cost	Fair value through profit and loss	Amortised cost	Fair value through profit and loss
Non-current				
Other financial assets	113.63	-	63.81	-
Current				
Trade receivables	3,231.43	-	4,487.07	-
Cash and cash equivalents	2.22	-	215.70	-
Total financial assets	3,347.28	-	4,766.58	-
Non-current				
Borrowings	1,380.29	-	2,803.97	-
Lease liabilities	671.15	-	1,677.06	-
Current				
Borrowings	4,963.62	-	3,757.19	-
Lease liabilities	171.29	-	75.94	-
Trade payables	1,367.48	-	1,323.05	-
Other financial liabilities	27.88	-	1,403.53	-
Total financial liabilities	8,521.11	-	11,040.74	-

The Company considers that the carrying amounts of amortised cost of financial assets and financial liabilities recognised in the financial statements are approximate to their fair values. All the financial instruments are categorised at Level 3 in the fair value hierarchy.

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(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Measurement of fair values

The different levels of fair value have been defined below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Level	As at 31 March 2024		As at 31 March 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-current					
Security Deposit	3	-	-	-	-
Other financial assets	3	113.63	113.63	63.81	63.81
Current					
Trade receivables	3	3,231.43	3,231.43	4,487.07	4,487.07
Cash and cash equivalents	3	2.22	2.22	215.70	215.70
TOTAL		3,347.28	3,347.28	4,766.58	4,766.58
Non-current					
Borrowings	3	1,380.29	1,380.29	2,803.97	2,803.97
Current					
Borrowings	3	4,903.02	4,903.02	3,757.19	3,757.19
Trade payables	3	1,367.48	1,367.48	1,323.05	1,323.05
Other financial liabilities	3	27.88	27.88	1,403.53	1,403.53
TOTAL		7,678.67	7,678.67	9,287.74	9,287.74

Cash and cash equivalents, trade receivable, other non-current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note No. 40 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Gross amount required to be spent by the Company during the year	14.00	-
B. Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	14.00	-
C. Provision for CSR Expenditure		
Opening Balance	-	-
Provision Made/(Paid) During the Year	-	-
Closing Balance	-	-
Total spend	14.00	-
D. Shortfall/(Excess) at the end of the year		
At the beginning of the period	-	-
Add: Shortfall/(Excess) spent by the Company	-	-
At the end of the period	-	-
E. Nature of CSR Activities	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects through Mata Kristnaswami Memorial Educational Society (REGD).	NIL

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(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No.43. Business Combination

The Board of Directors in its meeting dated 01 December 2022 have approved the acquisition of one of business undertaking from Wonderblues (partnership firm) as a going concern on a slump sale basis for a total consideration of Rs. 7,044 lakh along with all related assets and liabilities with effect from 04 January 2023.

The above business undertaking of Wonderblues (partnership firm) was involved in the business of manufacture and sale of garments for domestic qualifies as a business as defined in Ind AS 103.

The company has accounted for the aforesaid acquisition as a business acquisition in term of IND AS 103 Business Combination at fair value on the date of acquisition:

Particulars	As at January 4, 2023
Assets	
The fair value of identifiable assets acquired and liabilities on the acquisition date was as follows:	
Property, plant and equipment	676.66
Inventories	2,445.43
Trade receivables	2,355.21
Cash and cash equivalent	7.92
loans and advances	161.63
Other assets	1.05
Assets (A)	5,647.90
Intangible Assets identified	
Brand name	3,550.00
Customer Relationship	1,200.00
Non-compete agreement	71.00
Total intangible assets identified (B)	4,821.00
Total Assets (C) = (A) +(B)	10,468.90
Liabilities	
Borrowings	469.87
Trade Payables	2,874.99
Provisions	279.79
Other Liabilities	184.52
Total liabilities (D)	3,809.17
Total net identifiable asset acquired (E =C-D)	6,659.73
Less: Purchase consideration (F)	7,044.00
Goodwill (F-E)	384.27

Note No. 44 There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

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Authorized Signatory

Note No. 41 Financial Ratios:

Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Variance (in %)	Reason for variance*
(a) Current Ratio (in times)	Current assets	Current liabilities	0.95	1.13	-16%	
(b) Debt-Equity Ratio	Total Debt : Total borrowings + current & non-current lease obligation	Shareholders' equity	1.81	2.23	-19%	
(c) Debt Service Coverage Ratio	Earning : Profit after tax + depreciation and amortisation + finance cost +/- net gain/ (loss) on sale of current investment	Debt service : finance cost + lease payments + principal repayments	0.28	3.67	-92%	Decrease is mainly due to decrease in profits and increase in the finance cost
(d) Net Profit Ratio	Net profits	Net sales	1.00%	11.00%	-91%	Decrease is mainly due to decrease in profits and increase in sales during the current year.
(e) Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	4.00%	28.00%	-86%	Decrease is mainly due to decrease in profits during the year.
(f) Return on Capital employed	Earning before interest and taxes	Capital employed - Net worth + Total Debt + Deferred Tax Liability	10.00%	9.00%	11%	
(g) Return on Investment	Net gain/ (loss) generated from investment	Average investment fund	NA	NA	NA	
(h) Trade receivables turnover ratio	Net sales	Average trade receivable	3.87	2.04	90%	Increase is mainly due to increase in sales during the current year.
(i) Inventory turnover ratio	Cost of goods sold & consumed	Average inventory	3.23	1.75	85%	Increase is mainly due to increase in purchases during the current year.
(j) Trade payables turnover ratio	Net purchases	Average trade payables	5.87	5.76	2%	
(k) Net capital turnover ratio	Net sales	Working capital	-43.74	5.28	-928%	Decrease is mainly due to increase in sales and increase in borrowings during the current year.

* Reason for variance in case of ±25% from previous year

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Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 42 Additional disclosures required by Schedule III (Division II) of the Act

42.1 Details of Benami properties

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

42.2 Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

42.3 Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

42.4 Details of crypto / virtual currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the reporting financial year.

42.5 Undisclosed Income

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period ended 31 March 2024 & 31 March 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42.6 Utilization of funds

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42.7 Wilful defaulter

The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.

42.8 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post employment benefits received presidential assent in September 2020. The Code has been published in Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes in to effect and will record any related impact in the period the Code becomes effective.

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WONDERBLUES APPARELS PRIVATE LIMITED


Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No.45. The Company has identified accounting software for maintaining its books of account which require audit trail feature (edit log) facility as per the requirements of proviso to Rule 3(D) of the Companies (Accounts) Rules, 2014. The Company evaluated and noted that in respect of accounting software the audit trail (edit log) feature was enabled from March 14, 2024.

Note No. 46. The financial statements of the Company for the year ended March 31, 2023, were audited by predecessor auditor who issued an opinion on August 09, 2023.

Note No. 47. The corresponding previous period figures are for the period from June 16, 2022 to March 31, 2023 and are therefore, not directly comparable with those of current year.

Note No.48. The financial statements were approved for issue by the Board of Directors on 18 June 2024.

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH Digitally signed by ARTH
MAHENDRAK MAHENDRAKUMAR
UMAR PATEL PATEL
Date: 2024.06.18
18:07:20 +05'30'

Arth Mahendrakumar Patel
Director
DIN: 07498219

ADITYA Digitally signed by
SINGH ADITYA SINGH
BHADORIA BHADORIA
Date: 2024.06.18
18:04:06 +05'30'

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

Place: Gurugram
Date: June 18, 2024

CERTIFIED TRUE COPY

WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Balance Sheet as at 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
A. Non-current assets			
Property, plant and equipment	3(a)	744.15	658.48
Right of use asset	3(b)	812.99	1,804.70
Goodwill	4(a)	384.27	384.27
Other intangible assets	4(b)	4,711.57	4,806.19
Financial assets:			
(i) Other Financial Assets	5	113.63	63.81
Sub-total (A)		6,766.61	7,717.45
B. Current assets			
Inventories	9	2,665.40	2,496.00
Financial assets:			
(i) Trade receivables	10	3,231.43	4,487.07
(ii) Cash and cash equivalents	11	2.22	215.70
Current tax assets (Net)	6	102.03	147.76
Other current assets	8	221.18	175.57
Sub-total (B)		6,222.26	7,522.10
Total Assets (A+B)		12,988.87	15,239.55
II. EQUITY AND LIABILITIES			
C. Equity			
Equity share capital	12	40.34	40.34
Other equity	13	3,886.19	3,699.75
Sub-total (C)		3,926.53	3,731.09
Liabilities			
D. Non-current liabilities			
Financial liabilities			
(i) Borrowings	14	1,380.29	2,803.97
(ii) Lease liabilities	15	671.15	1,677.06
Provisions	17	260.63	258.44
Deferred tax liabilities (Net)	7	186.18	113.55
Sub-total (D)		2,498.25	4,853.02
E. Current liabilities			
Financial Liabilities			
(i) Borrowings	14	4,903.02	3,757.19
(ii) Lease liabilities	15	171.29	75.94
(iii) Trade payables	19	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,367.48	1,323.05
(iv) Other financial liabilities	16	27.88	1,403.53
Other current liabilities	18	75.83	76.72
Provisions	17	18.59	19.01
Sub-total (E)		6,564.09	6,655.44
Total equity and liabilities (C+D+E)		12,988.87	15,239.55

See accompanying notes forming part of the financial statements

1-48

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Rajesh Kumar Agarwal
Digitally signed by
Rajesh Kumar Agarwal
Date: 2024.06.18
18:46:38 +05'30'

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH MAHENDRAKU MAR PATEL
Digitally signed by ARTH MAHENDRAKUMAR PATEL
Date: 2024.06.18
18:04:55 +05'30'

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH BHADORIA
Digitally signed by
ADITYA SINGH BHADORIA
Date: 2024.06.18
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Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

CERTIFIED TRUE COPY

WONDERBLUES APPARELS PRIVATE LIMITED

(Signature)

Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Statement of Profit and Loss for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
I. Revenue from operations	20	14,952.31	4,576.50
II. Other income	21	123.08	8.55
III. Total Income		15,075.39	4,585.05
IV. Expenses			
Cost of materials consumed	22	7,902.41	3,809.65
Changes in inventories of finished goods and work-in-progress	23	422.91	(1,628.70)
Employee benefits expense	24	3,441.39	874.52
Finance costs	25	874.88	273.28
Depreciation and amortisation expenses	26	376.43	87.61
Other expenses	27	1,868.46	472.77
Total expenses		14,886.48	3,889.23
V. Profit / Loss before tax (III-IV)		188.91	695.82
VI. Tax expense			
Current tax		-	67.58
Deferred tax charge/ (credit)		52.14	109.42
Tax related to earlier year		2.30	-
Total tax expense		54.44	177.00
VII. Profit for the year/period (V- VI)		134.47	518.82
VIII. Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of net defined benefit obligation	34	81.47	16.40
Income tax impact on above	28(b)	(20.50)	(4.13)
Other comprehensive income for the year / period		60.97	12.27
IX. Total comprehensive income for the year/period (VII+VIII)		195.44	531.09
X. Earnings per equity share (Face Value Rs. 10/- (previous period Rs. 10/-) per equity share)			
- Basic (in Rupees)	29	333.34	4,039.76
- Diluted (in Rupees)	29	333.34	4,039.76

See accompanying notes forming part of the financial statements

1-48

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Digitally signed by
Rajesh Kumar Agarwal
Date: 2024.06.18
18:47:09 +05'30'
Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH MAHENDRAKUMAR PATEL
Digitally signed by ARTH MAHENDRAKUMAR PATEL
Date: 2024.06.18 18:05:29
+05'30'
Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH BHADORIA
Digitally signed by
ADITYA SINGH BHADORIA
Date: 2024.06.18
18:02:23 +05'30'
Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED

(Signature)
Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Statement of Cash Flows for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the Period 16 June 2022 to 31 March 2023
A. Cash flow from operating activities:		
Profit before tax	188.91	695.81
Adjustment for:		
Depreciation and amortisation expense	376.43	87.61
Finance cost	874.88	273.38
Interest Income	(16.48)	(1.49)
Gain on lease modification	(16.83)	-
Net gain on foreign currency transactions and translation	(3.09)	-
Profit on Sale of Fixed Assets	(0.18)	-
Provision (Reversal) for credit loss and other receivables	(3.65)	6.42
Operating cash flow before working capital changes	1,399.09	1,061.73
Adjustments for working capital changes:		
(Increase) Decrease in trade receivables	1,251.60	(2,227.27)
(Increase) Decrease in other financial assets	(49.83)	98.77
(Increase) Decrease in other assets	(45.61)	(174.57)
(Increase) Decrease in inventories	(169.40)	(51.00)
Increase/ (Decrease) in trade payables	44.43	(1,551.55)
Increase/ (Decrease) in other financial liabilities	(375.65)	393.32
Increase/ (Decrease) in other liabilities	(9.89)	(91.88)
Increase/ (Decrease) in provisions	1.77	(2.55)
Cash generated from (used in) operations	2,056.42	(2,545.41)
Income-tax paid (net)	(45.97)	(215.34)
Net cash flow from (used in) operating activities (A)	2,010.45	(2,760.75)
Cash flow from investing activities:		
Purchase of Property, Plant and Equipment (including capital work in progress)	(156.49)	(3.57)
Purchase of Intangible assets (Including intangible asset under development)	(14.20)	-
Proceeds from sale of property, plant and equipment	0.20	-
Interest Income	6.70	1.49
Consideration paid on business acquisition	(1,000.00)	(6,033.75)
Net cash flow from (used in) investing activities (B)	(1,143.79)	(6,035.87)
Cash flow from financing activities:		
Proceeds of issue of share capital (including securities premium)	-	3,200.00
Proceeds from short-term borrowings	3,091.33	4,757.19
Proceeds from long-term borrowings	1,600.00	2,303.97
Repayment of long-term borrowings	(2,423.68)	-
Repayment of short-term borrowings	(3,945.50)	(1,470.60)
Payment of lease liabilities	(240.00)	(58.06)
Interest paid	(562.29)	(279.78)
Net cash generated from (used in) financing activities (C)	(1,080.14)	9,003.32
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(213.48)	206.70
Cash and cash equivalents at beginning of the year	215.70	9.00
Cash and cash equivalents at end of the year (refer note 11)	2.22	215.70

Notes to Statement of Cash Flows:

2. Cash and Cash Equivalents

	As at 31 March 2024	As at 31 March 2023
(a) Balances with banks		
- In current accounts	0.53	707.37
(b) Cash on hand	1.69	8.33
	2.22	215.70

3. Change in liabilities arising from financing activities

Particulars	As on 31 March 2023	Cash flow		Other Adjustments	As on 31 March 2024
		Inflow	Outflow		
Non-current borrowings	2,803.97	1,000.00	(2,423.68)	-	1,380.29
Current borrowings	3,757.19	3,091.33	(1,945.50)	-	4,903.02
Lease liabilities	-	-	(240.00)	1,082.44	842.44
Total liabilities arising from financing activities	6,561.16	4,091.33	(4,609.18)	1,082.44	7,125.75

Particulars	As on 16 June 2022	Cash flow		Other Adjustments	As on 31 March 2023
		Inflow	Outflow		
Non-current borrowings	-	2,803.97	-	-	2,803.97
Current borrowings	-	4,757.19	(1,470.60)	470.60	3,757.19
Lease liabilities	-	-	(58.06)	1,811.07	1,753.01
Total liabilities arising from financing activities	-	7,561.16	(1,528.66)	2,381.67	8,314.17

See accompanying notes forming part of the financial statements

1-48

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Rajesh Kumar
Agarwal
Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA SINGH
BHADORIA
Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

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WONDERBLUES APPARELS PRIVATE LIMITED

Arth Mahendrakumar Patel
Authorized Signatory

Wonderblues Apparels Private Limited
(CIN: U18100KA2022PTC162480)
Statement of changes in Equity for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

A. Equity share capital	No. of Shares	Amount
Particulars		
As at 16 June 2022	40,340	40.34
Add: Issued during the period	40,340	40.34
As at 31 March 2023	-	-
Add: Issued during the year	40,340	40.34
As at 31 March 2024		

* Refer note 12

B. Other equity

Particulars	Reserves and Surplus		Total other equity
	Securities premium	Retained earnings	
For the year ended 31 March 2024			
As at 16 June 2022	-	518.82	518.82
Profit for the period	-	12.27	12.27
Other Comprehensive Income	-	-	-
- Remeasurement of the net defined benefit obligations, net of tax	-	531.09	531.09
Total comprehensive income for the year	3,159.66	-	3,159.66
Issue of equity shares at premium	3,159.66	531.09	3,690.75
As at 31 March 2023	-	134.47	134.47
Profit for the year	-	60.97	60.97
Other Comprehensive Income	-	-	-
- Remeasurement of the net defined benefit obligations, net of tax	-	726.53	726.53
Total comprehensive income for the year	3,159.66	726.53	3,886.19
As at 31 March 2024	3,159.66	726.53	3,886.19

See accompanying notes forming part of the financial statements
in terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

Rajesh Kumar
Digitally signed by Rajesh Kumar Agarwal
Date: 2024.06.18
18:48:24 +05'30'

Rajesh Kumar Agarwal
Partner
Membership No. 105546

Place: Gurugram
Date: June 18, 2024

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH
Digitally signed by ARTH
MAHENDRAKUMAR PATEL
Date: 2024.06.18 18:06:41
+05'30'

Arth Mahendrakumar Patel
Director
DIN: 07498219

Place: Gurugram
Date: June 18, 2024

ADITYA
SINGH
BHADORIA

Digitally signed by
ADITYA SINGH
BHADORIA
Date: 2024.06.18
18:03:32 +05'30'

Aditya Singh Bhadoria
Director
DIN: 09809188

Place: Gurugram
Date: June 18, 2024

CERTIFIED TRUE COPY WONDERBLUES APPARELS PRIVATE LIMITED

Authorized Signatory

Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162480)

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 3(a) - Property, plant and equipment							
Description of Assets	Plant and Machinery	Vehicles	Office equipment	Computer	Electrical Equipments	Furniture and fixtures	Total
I. Gross carrying amount							
Balance as at 16 June 2022	0.74	-	-	-	-	-	3.06
Additions	599.83	52.08	1.97	0.97	3.75	7.31	665.91
Assets acquired under business acquisition (refer note no 44)	600.57	52.08	1.97	3.29	3.75	7.31	668.97
Balance as at 31 March 2023	89.46	-	8.84	13.28	20.92	3.99	136.49
Additions	-	-	-	0.01	-	-	0.01
Deletions/Transfers	690.03	52.08	10.81	16.56	24.67	11.30	805.45
Balance as at 31 March 2024	-	-	-	-	-	-	-
II. Accumulated depreciation and amortisation							
Balance as at 16 June 2022	8.61	1.40	0.08	0.16	0.08	0.16	10.49
Depreciation expense for the period 16 June 2022 to 31 March 2023	-	-	-	-	-	-	-
Eliminated on disposal of assets	8.61	1.40	0.08	0.16	0.08	0.16	10.49
Balance as at 31 March 2023	38.85	5.88	1.28	2.72	1.20	0.88	50.81
Depreciation expense for the year	-	-	-	0.00	-	-	0.00
Eliminated on disposal of assets	47.46	7.28	1.36	2.88	1.28	1.04	61.30
Balance as at 31 March 2024	642.57	44.80	9.45	13.68	23.39	10.26	744.15
As at 31 March 2024	591.96	50.68	1.89	3.13	3.67	7.15	658.48
As at 31 March 2023							

WONDERBLUES APPARELS PRIVATE LIMITED **CERTIFIED TRUE COPY**



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Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162480)

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 3(b) - Right of use asset

Description of Assets	Buildings on lease	Total
I. Gross carrying amount		
Balance as at 16 June 2022	-	-
Additions	1,856.26	1,856.26
Adjustment/Deletions	-	-
Balance as at 31 March 2023	1,856.26	1,856.26
Additions	-	-
Adjustment on lease modification	772.27	772.27
Deletions	-	-
Balance as at 31 March 2024	1,083.99	1,083.99
II. Accumulated depreciation		
Balance as at 16 June 2022	-	-
Depreciation expense for the period	51.56	51.56
Eliminated on disposal of assets	-	-
Balance as at 31 March 2023	51.56	51.56
Adjustment on lease modification	2.64	2.64
Depreciation expense for the year	216.80	216.80
Eliminated on disposal of assets	-	-
Balance as at 31 March 2024	271.00	271.00
III. Net carrying amount (I-II)		
As at 31 March 2024	812.99	812.99
As at 31 March 2023	1,804.70	1,804.70

Also refer Note No. 31 for disclosures as required under Ind AS 116 "Lease"

WONDERBLUES APPARELS PRIVATE LIMITED

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Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162480)

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 4(a) - Goodwill

Particular	As at 31 March 2024	As at 31 March 2023
Cost as at beginning of the year	384.27	-
Assets acquired on acquisition (refer note 43)	-	384.27
Disposals	-	-
Impairment as at beginning of the year	-	-
Impairment during the year	-	-
Impairment as at end of the year	-	-
Net book value as at beginning of the year	384.27	-
Net book value as at end of the year	384.27	384.27

Impairment testing of goodwill:-

The carrying amount of goodwill with indefinite useful life that arose on acquisition of itemised assets of Wonder blues (Partnership Firm) and has been tested against the potential of respective cash generating unit (CGU).

The Company evaluates impairment, if cash generating units (CGUs) have identified impairment indicators. Impairment is recognised, when the carrying amount of CGUs including goodwill, exceeds the estimated recoverable amount of CGU. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to respective the cash generating unit (CGU). CGUs which have goodwill allocated to them are tested for impairment at least annually or more frequently if there are any indications that the goodwill may be impaired. The recoverable value of CGU is estimated based on the discounted cash flows method.

The recoverable amount of CGU has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts which cover future periods of 5 years.

Key assumptions for the value in use calculation are those regarding weighted average cost of capital and terminal growth rate. Other assumption includes expected changes to selling prices, raw material costs, demand, exchange rates. Changes in selling prices, raw material costs, exchange rates and demand are based on expectations of future changes in the market based on external market sources.

The management believes that no reasonably possible change in the key assumptions used in value in use calculation would cause the carrying value of CGU to materially exceed its value in use.

The estimated recoverable amount of CGU exceeded its carrying amount and accordingly, no impairment was recognized for goodwill as at 31 March 2024.

Significant Cash Generating Units (CGU)

The Company has identified only one reportable segments, i.e. Garments as the CGU. The goodwill and indefinite-life intangible assets acquired through business combinations have been allocated to CGU 'Garments'. The carrying amount of goodwill and indefinite-life intangible asset (Brand Name) is as under:

Particular	As at 31 March 2024	As at 31 March 2023
Goodwill	384.27	384.27
Brand Name	3,550.00	3,550.00
Total	3,934.27	3,934.27

The recoverable amount of each CGU has been calculated based on its value in use, estimated as the present value of projected future cash flows.

Following key assumptions were considered while performing Impairment testing

Particular	As at 31 March 2024	As at 31 March 2023
Average Annual Growth rate for 5 years	20%	20%
Terminal Growth rate	3%	3%
Weighted Average Cost of Capital % (WACC) post tax (Discount rate)	17.50%	17.50%

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The projections cover a period of ten years, as the Company believes this to be the most appropriate timescale over which to review and consider annual performances before applying a terminal value multiple to the final year cash flows. The growth rates and segmental margins used to estimate cash flows for the first ten years are based on past performance, and on the Company's ten-year strategic plan.

The Company has performed sensitivity analysis and has concluded that there are no reasonably possible changes to key assumptions that would cause the carrying amount of a CGU to exceed its recoverable amount.

WONDERBLUES APPARELS PRIVATE LIMITED



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(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 4(b) - Other intangible assets

Description of Assets	Brand name	Computer Software	Customer Relationship	Non-compete agreement	Total
I. Gross carrying amount					
Balance as at 16 June 2022	-	-	-	-	-
Additions	-	-	-	-	-
Deletions	-	-	-	-	-
Intangible assets acquired under business acquisition (refer note no. 43)	3,550.00	10.75	1,200.00	71.00	4,831.75
Balance as at 31 March 2023	3,550.00	10.75	1,200.00	71.00	4,831.75
Additions	-	14.20	-	-	14.20
Deletions	-	-	-	-	-
Balance as at 31 March 2024	3,550.00	24.95	1,200.00	71.00	4,845.95
II. Accumulated amortisation					
Balance as at 16 June 2022	-	-	-	-	-
Amortisation expense for the period 16 June 2022 to 31 March 2023	-	0.85	19.07	5.64	25.56
Deletions	-	-	-	-	-
Balance as at 31 March 2023	-	0.85	19.07	5.64	25.56
Amortisation expense for the year	-	5.15	80.00	23.67	108.82
Deletion	-	-	-	-	-
Balance as at 31 March 2024	-	6.00	99.07	29.31	134.38
III. Net carrying amount (I-II)					
As at 31 March 2024	3,550.00	18.95	1,100.93	41.69	4,711.57
As at 31 March 2023	3,550.00	9.90	1,180.93	65.36	4,806.19

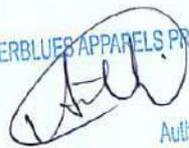
The Company evaluates the estimated remaining life of intangible assets (except brand name) and it ranges upto 15 Years from the date of put to use. The estimated useful life of brand name is indefinite.

FY 2023-24					
Useful life of other intangible	Computer Software	Brand name	Customer Relationship	Non-compete agreement	Total
Less than 1 years	-	-	-	-	-
1-2 years	-	-	-	41.69	60.64
2-3 years	18.95	-	1,100.93	-	1,100.93
3-15 years	-	3,550.00	-	-	3,550.00
Indefinite life	-	-	1,100.93	41.69	4,711.57
Total	18.95	3,550.00	1,100.93	41.69	4,711.57

FY 2023-24					
Useful life of other intangible	Computer Software	Brand name	Customer Relationship	Non-compete agreement	Total
Less than 1 years	-	-	-	-	-
1-2 years	-	-	-	65.36	75.26
2-3 years	9.90	-	1,180.93	-	1,180.93
3-15 years	-	3,550.00	-	-	3,550.00
Indefinite life	-	-	1,180.93	65.36	4,806.19
Total	9.90	3,550.00	1,180.93	65.36	4,806.19

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Note No. 5 Other financial assets

Unsecured, considered good
Security Deposits
Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
-	113.63	-	63.81
-	113.63	-	63.81

Note No. 6 Income tax assets/ liabilities (net)

Advance tax
Provision for Tax

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
102.03	-	215.34	-
-	-	(67.58)	-
102.03	-	147.76	-

Note No. 7 Deferred tax assets/(Liabilities)

Tax effect of items constituting deferred tax liabilities
On the difference between book balance of property, plant and equipment and intangible asset

As at 31 March 2024		As at 31 March 2023	
	409.64		155.92
	409.64		155.92
Tax effect of items constituting deferred tax assets			
Right of use	7.41		3.64
Provision for employee benefits	34.71		36.21
Provisions for expected credit loss	0.70		1.62
Provisions for expense	-		0.90
Unabsorbed Depreciation	180.64		-
	223.46		42.37
	(186.18)		(113.55)

Deferred tax assets/(liabilities) (net)

Note No. 8 Other assets

Balances with government authorities
Advance to suppliers
Advance to employees
Prepaid expenses
Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
142.69	-	96.69	-
51.00	-	58.52	-
10.56	-	12.20	-
16.93	-	8.16	-
221.18	-	175.57	-

Note No. 9 Inventories

Inventories (at lower of cost and net realisable value)
Raw materials
Stores consumables
Work-in-progress
Finished goods
Total

As at 31 March 2024		As at 31 March 2023	
	1,229.57		695.86
	63.78		171.44
	667.40		849.61
	704.63		779.09
	2,665.40		2,496.00

Included above, goods-in-transit:

Raw materials	161.20	343.97
Finished Goods	166.26	-
Total	327.46	343.97

The cost of inventories recognised as an expense during the year was Rs. 8,225.32 lakhs (previous period Rs. 2,180.95 lakhs).

Note No. 10 Trade receivables

Secured, considered good
Unsecured, considered good
Receivables which have significant increase in credit risk
Less: allowance*
Total

As at 31 March 2024		As at 31 March 2023	
Current	Non Current	Current	Non Current
-	-	-	-
3,231.43	-	4,487.07	-
2.77	-	6.42	-
(2.77)	-	(6.42)	-
3,231.43	-	4,487.07	-

Refer Note no. 10 (a) for Trade receivable ageing schedule
*** Movement in expected credit loss:**
Balance at the beginning of the year
Provision recognised during the year / period
Provision reversed during the year / period

As at 31 March 2024		As at 31 March 2023	
	6.42		-
	-		6.42
	3.65		-
	2.77		6.42

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Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 11 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
(a) Balance with Bank		
- In current accounts	0.53	207.37
(b) Cash on hand	1.69	8.33
Total	2.22	215.70

Note No. 12 Equity share capital

(a) Share capital

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
1,00,000 Equity Shares of Rs. 100/- each	100,000	100.00	100,000	100.00
	100,000	100.00	100,000	100.00

Issued, subscribed and fully paid-up equity shares
40,340 Equity Shares of Rs. 100/- each

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
	40,340	40.34	40,340	40.34
	40,340	40.34	40,340	40.34

(b) Reconciliation of shares outstanding at the beginning and at the end of the year

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
At the beginning of the year	40,340	40.34	-	-
Add: Shares issued during the year / period*	-	-	40,340	40.34
At the end of the year	40,340	40.34	40,340	40.34

* The Company has issued 39,340 equity shares of Rs. 100 each fully paid-up at a premium of Rs. 8,031.68 per share on 04.01.2023.

(c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 100/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Details of shares held by ultimate holding company / holding company and / or their subsidiaries

	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Holding Company				
OFG Manufacturing Businesses Private Limited	40,340	40.34	40,340	40.34

(e) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding	No. of shares	% holding
OFG Manufacturing Businesses Private Limited	40,340	100.00%	40,340	100.00%

(f) Change in promoters shareholding

i) Equity shares

Promoter Name	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Equity shares of Rs. 100 each fully paid up held by: OFG Manufacturing Businesses Private Limited *	40,340	100.00%	40,340	100.00%

* One share is held by Ashish Mohapatra as nominee of OFG Manufacturing Pvt Ltd

Note No. 13 Other equity

Details of Reserves and Surplus

	As at 31 March 2024	As at 31 March 2023
(a) Securities Premium		
Opening Balance	3,159.66	3,159.66
Add: Securities premium on issue of equity shares		
Closing Balance	3,159.66	3,159.66
(b) Retained Earnings		
Opening balance	531.09	-
Add: Profit/(loss) for the year	134.47	518.82
Add: Other Comprehensive Income (net of tax)	60.96	12.27
Closing balance	726.52	531.09
Total Reserve & Surplus	3,886.18	3,690.75

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Notes to the financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Nature and purpose of reserves and surplus:

- (a) Securities premium: Securities premium account is used to record the premium on issue of shares and is utilised in accordance with the provisions of the Companies Act 2013.
- (b) Surplus/(Deficit) in Statement of Profit and Loss: Represents the amount of accumulated profits earned by the Company till date.

Note No. 14 Borrowings

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Secured				
- Cash credit from bank	2,683.51	-	567.18	-
Unsecured				
Loans from related parties	-	2,085.78	-	3,200.00
Working Capital demand loan from related party	475.00	-	1,690.00	-
Loans repayable on demand	-	-	-	-
- Bill Discounting from Aditya Birla Finance Limited	1,039.02	-	1,193.98	-
Total secured and unsecured borrowings	4,197.53	2,085.78	3,361.16	3,200.00
Less: Current maturities of non current borrowings	705.49	(705.49)	396.03	(396.03)
Total	4,903.02	1,380.29	3,757.19	2,803.97

Note No. 15 Lease liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Measured at Amortised Cost				
Lease Liabilities	171.29	671.15	75.94	1,677.06
Total	171.29	671.15	75.94	1,677.06

Note No. 16 Other financial liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Measured at Amortised Cost				
Security deposits	-	-	15.00	-
Other payables*	-	-	1,010.22	-
Bank Overdraft	-	-	378.31	-
Interest accrued and due on borrowings	27.88	-	-	-
Total	27.88	-	1,403.53	-

*Includes balance consideration of Rs.1,010.22 lakhs payable within next 12 months subject to certain conditions as per business transfer agreement.

Note No. 17 Provisions

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Provisions for employee benefits				
Gratuity (refer note no 34)	8.03	176.64	16.31	179.66
Leave Encashment	10.56	83.99	2.70	78.78
Total	18.59	260.63	19.01	258.44

Note No. 18 Other liabilities

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Advance received from customers	0.95	-	-	-
Statutory dues payable	74.88	-	76.72	-
Total	75.83	-	76.72	-

Note No. 19 Trade payables

	As at 31 March 2024		As at 31 March 2023	
	Current	Non-Current	Current	Non-Current
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,367.48	-	1,323.05	-
Total	1,367.48	-	1,323.05	-

Refer Note No. 19(a) for Trade payables ageing schedule

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 10(a) Trade Receivables ageing schedule:

i) As at 31 March 2024

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables - Considered good	2,647.69	583.57	0.17	-	-	3,231.43
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	2.71	0.06	-	-	2.77
(i) 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	-	-	-	-	-	-
	<u>2,647.69</u>	<u>586.28</u>	<u>0.23</u>	<u>-</u>	<u>-</u>	<u>3,234.20</u>
Less: Loss Allowance						(2.77)
Total	<u>2,647.69</u>	<u>586.28</u>	<u>0.23</u>	<u>-</u>	<u>-</u>	<u>3,231.43</u>

ii) As at 31 March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	
(i) Undisputed Trade Receivables - Considered good	3,535.86	946.67	4.55	-	-	4,487.08
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	4.90	1.52	-	-	6.42
(i) 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	-	-	-	-	-	-
	<u>3,535.86</u>	<u>951.57</u>	<u>6.07</u>	<u>-</u>	<u>-</u>	<u>4,493.50</u>
Less: Loss Allowance						(6.42)
Total	<u>3,535.86</u>	<u>951.57</u>	<u>6.07</u>	<u>-</u>	<u>-</u>	<u>4,487.08</u>

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

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 19 (a) Trade payables ageing schedule:

j) As at 31 March 2024

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(i) Others	1,179.74	184.90	2.84	-	-	1,367.48
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,179.74	184.90	2.84	-	-	1,367.48

i) As at 31 March 2023

Particulars	Outstanding for following period from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(i) Others	1,173.18	149.87	-	-	-	1,323.05
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-
Total	1,173.18	149.87	-	-	-	1,323.05

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Note No. 14 Borrowings (continued)

B) Cash credit repayable on demand		As at	As at	Rate of interest	Repayment terms	Security and other terms
Particulars		31 March 2024	31 March 2023			
A. Secured						
- Working Capital - Credit Facility (HDFC Bank)	2,683.51	567.18	Interest @ 8.01% p.a	On demand	Primary: The loan is secured by way of - First exclusive charges by way of hypothecation on the current assets of the Company both present and future. - The loan is hypothecation on movable fixed assets of the Company both present and future.	
	2,683.51	567.18				

B) Cash Credit Facility from related party (Unsecured)		As at	As at	Rate of interest	Repayment terms	Security and other terms
Particulars		31 March 2024	31 March 2023			
A. Unsecured						
- OPH Tech Private Limited	475.00	1,600.00	Interest @ 15% p.a	On demand	NA	
	475.00	1,600.00				

B) Term loans from related party (Unsecured)		As at	As at	Rate of interest	Repayment terms	Security and other terms
Particulars		31 March 2024	31 March 2023			
A. Unsecured						
- OPH Tech Private Limited	1,085.78	3,260.00	Interest @ 15% p.a	- Payment of interest only beginning from 05.01.2023 to 01.06.2023 - Repayment of principal and interest beginning with 01.07.2023 to 01.12.2023 in EMI Rs. 81,84 Lakh each. - Payment of only interest beginning from 26.01.2024 to 31.07.2024	NA	
- OPH Tech Private Limited	800.00	-	Interest @ 15% p.a	- Repayment of principal and interest both will begin from 01.08.2024 to 31.01.2029 in EMI Rs. 20.46 Lakh each. - Payment of only interest beginning from 20.03.2024 to 30.09.2024	NA	
- OPH Tech Private Limited	200.00	-	Interest @ 15% p.a	- Repayment of principal and interest both will begin from 01.10.2024 to 31.03.2029 in EMI Rs. 5.11 Lakh each.	NA	
	2,085.78	3,260.00				

A) Bill Discounting from Aditya Birla Finance Limited		As at	As at	Rate of interest	Repayment terms	Security and other terms
Particulars		31 March 2024	31 March 2023			
- Bill Discounting	1,039.02	1,119.98	Interest @ 10.5% p.a (short term reference rate of ABFL (STRB) + c. spread) STBR at present is 19.00% Spread at present is -8.50bps (-8.50%)	- Repayable on demand	NA	
	1,039.02	1,119.98				

There are no defaults as on reporting date in repayment of principal and interest.

v) Borrowing based on security of current assets

The Company has obtained various borrowings from bank's financial institution on basis of security of current assets wherein the quarterly returns/statements of current assets as filed with banks financial institution are in agreement with the books.

- For the year ended 31 March 2024 -

The quarterly returns/statements read with subsequent returns filed by the Company with the books of accounts.

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
(a) Revenue from sale of products (Refer note no. 32)	14,947.63	4,576.50
(b) Other operating revenue	4.68	-
Total	14,952.31	4,576.50
A) Break-up of revenue from operations:		
I) Disaggregation of revenue based on major products and services:		
(a) Revenue from sale of products		
Sale of products	14,947.63	4,576.50
- Ready-made garments	14,947.63	4,576.50
(b) Other operating revenue	4.68	-
Duty drawback received	4.68	-
II) Disaggregation of revenue based on major geographical location:		
India	14,716.96	4,576.50
Outside India	235.35	-
	14,952.31	4,576.50

Note No. 21 Other Income

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Interest income from financial assets carried at amortised cost:	0.15	-
- Bank deposits	9.79	1.54
- Security deposit	-	1.49
Interest income for delayed payment	82.42	4.05
Discount income	3.65	-
Reversal of provision for expected credit loss on trade receivables (refer note 37)	3.09	0.05
Net gain on foreign currency transactions and translation	0.18	-
Profit on sale of property, plant and equipment	6.54	-
Interest - IT Refund	16.83	-
Gain on lease modification	0.43	1.42
Miscellaneous income	123.08	8.55
Total	123.08	8.55

Note No. 22 Cost of materials consumed

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Raw materials consumed	351.88	-
Opening Stock *	6,445.78	3,951.87
Add : Purchases during the year/period	1,068.37	351.88
Less: Closing Stock *	5,729.29	3,599.99
Consumables	171.44	-
Opening Stock	2,065.46	381.10
Add : Purchases	63.78	171.44
Less: Closing Stock	2,173.12	209.66
Total	7,902.41	3,809.65
*Excluding Goods-in-transit		

Note No. 23 Changes in inventories of finished goods and work in progress

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Inventories at the end of the year:	667.40	849.61
Work-in-progress	538.39	779.09
Finished goods *	1,205.79	1,628.70
Inventories at the beginning of the year:	849.61	-
Work-in-progress	779.09	-
Finished goods	1,628.70	-
Net decrease/(increase) in inventories of finished goods and work in progress	422.91	(1,628.70)
*Excluding Goods-in-transit		

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WONDERBLUES APPARELS PRIVATE LIMITED



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(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 24 Employee benefits expense

Salaries and wages, including bonus
Contribution to provident and other funds
Staff welfare expenses
Gratuity Expenses (refer note 34)
Total

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
	3009.98	772.90
	302.16	69.80
	31.99	4.30
	97.26	27.52
Total	3,441.39	874.52

Note No. 25 Finance costs

Interest expense on financial liabilities carried at amortised cost:
- borrowings from banks
- loan from related parties
- borrowing from others
- lease liabilities
Interest expense on delayed payment of statutory dues
Other borrowing cost
Total

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
	124.47	0.48
	437.82	182.88
	163.82	46.42
	90.47	43.60
	1.14	-
	57.16	-
Total	874.88	273.38

Note No. 26 Depreciation and amortisation expenses

Depreciation on property, plant and equipment
Depreciation of right of use assets
Amortisation of other intangible assets

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
	50.81	10.49
	216.80	51.56
	108.82	25.56
Total	376.43	87.61

Note No. 27 Other expenses

Freight and Carriage
Fuel, electricity and water charges
Job work charges
Tour, travelling and conveyance expenses
Legal and professional fees
Hire Charges
Printing and stationery expenses
Postage and Courier
Security expenses
Telephone and fax expenses
Rent including lease rentals (refer note 31)
Rates and taxes
Insurance expenses
Testing and certification charges
Repairs and maintenance
Business promotion expenses
Marketing expenses
Auditors remuneration
- As statutory auditor
- As tax auditor
Expenditure on corporate social responsibility
Bank charges
Office expenses
Provision for expected credit loss on trade receivables
Donation
Miscellaneous expenses
Total

	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
	192.20	40.45
	231.30	57.93
	553.53	200.12
	57.50	7.11
	309.06	29.16
	77.94	15.78
	8.11	1.70
	13.73	1.15
	74.79	16.66
	2.44	1.14
	6.00	-
	1.75	10.01
	12.90	2.11
	37.75	7.25
	183.09	55.26
	20.18	1.73
	14.60	1.30
	11.50	1.25
	1.00	0.25
	14.00	-
	1.20	6.59
	28.78	2.07
	-	6.42
	5.18	0.76
	9.93	6.37
Total	1,868.46	472.77

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WONDERBLUES APPARELS PRIVATE LIMITED

By:  Director

Wonderblues Apparel's Private Limited
(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 28 Taxes

(a) Income tax recognised in profit and loss		
Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
(a) Current tax	2.30	67.58
(b) Deferred tax charge/ (credit)	52.14	109.42
Total	54.44	177.00

(b) Income tax recognised in other comprehensive income (OCI)		
Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Deferred tax charge/ (credit) on remeasurement of defined benefit plan	20.50	4.13
Total	20.50	4.13

(c) Tax reconciliation		
Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Profit before tax	188.91	695.82
Applicable tax rate	25.17%	25.17%
Income tax expenses calculated at above rate	47.54	175.12
Tax effect of:		
- Expenses incurred non deductible	6.13	-
- Others	0.77	1.88
Total	54.44	177.00

Particulars	Deferred Tax Assets / (Liability) as at 01 April 2023	(Charged)/ credited to:			Deferred Tax Assets / (Liability) as at 31 March 2024
		Profit and loss	Other comprehensive income	Equity	
On the difference between book balance and tax balance of property, plant and equipment and other intangible assets	(155.92)	(253.73)	-	-	(409.64)
Right of use asset	3.64	3.77	-	-	7.41
Provision for employee benefits	36.21	19.00	(20.50)	-	34.71
Provisions for doubtful advances	1.62	(0.92)	-	-	0.70
Expenses allowed on paid basis	0.90	(0.90)	-	-	-
Unabsorbed depreciation	-	180.64	-	-	180.64
Total	(113.55)	(52.14)	(20.50)	-	(186.18)

Particulars	Deferred Tax Assets / (Liability) as at 16 June 2022	(Charged)/ credited to:			Deferred Tax Assets / (Liability) as at 31 March 2023
		Profit and loss	Other comprehensive income	Equity	
On the difference between book balance and tax balance of property, plant and equipment and other intangible assets	-	(155.92)	-	-	(155.92)
Right of use asset	-	3.64	-	-	3.64
Provision for employee benefits	-	40.34	(4.13)	-	36.21
Provisions for doubtful advances	-	1.62	-	-	1.62
Provision for expense	-	0.90	-	-	0.90
Total	-	(109.42)	(4.13)	-	(113.55)

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Wonderblues Apparels Private Limited

(CIN: U18100KA2022PTC162489)

Notes to financial statements for the year ended 31 March 2024

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 29 Earnings Per Share (EPS)

Basic earnings per share

The calculation of basic earnings per share for the year ended 31st March 2024 was based on the earnings attributable to equity shareholders of Rs. 134.47 lakhs (31 March 2023: Rs. 518.82 lakhs) and weighted average number of equity shares outstanding of 40340 (31 March 2023: 12843).

Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 March 2024 was based on the earnings attributable to equity shareholders of Rs. 134.47 lakhs (31 March 2023: Rs. 518.82 lakhs) and weighted average number of equity shares outstanding after adjustment for the effects of all dilutive potential equity shares of 40340 (31 March 2023: 12843).

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Net profit attributable to equity shareholders (Rs. in lakhs)	134.47	518.82
Calculation of weighted average number of equity shares -		
Number of equity shares at the beginning of the year	40,340	-
Number of equity shares outstanding as at the end of the year	40,340	40,340
Weighted average number of equity shares outstanding during the year for calculation of basic EPS	40,340	12,843
Weighted average number of equity shares outstanding during the year for calculation of diluted earnings per share	40,340	12,843
Nominal value of equity shares (Rs.)	10	10
*Basic earnings per equity shares (Rs.)	333.34	4,039.76
Diluted earnings per equity shares (Rs.)	333.34	4,039.76

Note No. 30 Contingent liabilities and commitments

(i) Contingent Liabilities:

(a) The Company does not have any pending litigation which would impact its financial position.

(b) The Company does not have any long term contracts including derivative contracts for which there will be any material foreseeable losses.

(ii) Commitments:

The Company does not have any commitments which would impact its financial position.

Note No. 31 Disclosures as required under Ind AS 116 Leases

The Company has entered into lease agreements for acquiring space to do its day to day operations. Such lease contracts include monthly fixed payments for rentals.

The lease contracts are generally cancellable at the option of lessee during the lease tenure after the completion of non cancellable period. There are no significant restrictions imposed under the lease contracts.

A. Below are the summary of financial information related to the above lease contracts for office space:

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Amortization expense on Right-of-use (ROU) assets recognized during the year	216.80	51.56
Interest expense on lease liability	90.47	43.60
Carrying amount of ROU assets as on the reporting date	812.99	1,804.70
Total cash outflow for leases	240.00	58.07
Lease liability as on the reporting date	842.44	1,753.00

B. Movement in lease liabilities during the Period 31 March 2023 to 31 March 2024:

Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Opening Balance/ Balance as at 16th June 2022	1,753.00	-
Additions	90.47	43.60
Finance cost accrued during the year	(761.03)	-
Lease modification adjustment	(240.00)	(58.07)
Payment of lease liabilities	842.44	1,753.00
Total		

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Wonderblues Apparels Private Limited
(CIN: U18100KA2022FTC162480)
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(All amounts are in Rs. Lakhs, unless otherwise stated)

C. The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Non-current lease liabilities	671.15	1,677.06
Current lease liabilities	171.29	75.94
Total	842.44	1,753.00

D. The table below provides details regarding the contractual maturities of lease liabilities on an discounted basis:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	171.29	75.94
One to five years	671.15	820.49
More than five years	0.00	856.57
Total	842.44	1,753.00

E. Below is the amount recognised by the Company in the statement of cash flows:

Particulars	As at 31 March 2024	As at 31 March 2023
Total cash outflow for leases	240.00	58.07

There are no contingent lease/license fees payments.

F. Other disclosures

a) The incremental borrowing rates as at each reporting date is as below:

Particulars	As at 31 March 2024	As at 31 March 2023
Weighted-average incremental borrowing rate	10%	10%

b) As at 31 March 2024 & 31 March 2023, the Company does not have any material related party leases as a lessee. The Company does not have any sale-leaseback arrangements as lessee and typically does not enter into leveraged leases.

Note No. 32 Contract balances

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables (current and non-current) (refer note 10)	3,231.43	4,487.07
Advance received from customers (refer note 16)	0.95	-

Revenue is recognised at point of time on successful completion of performance obligations as per contract. Once the performance obligation is fulfilled for invoicing is done, contract assets are classified to trade receivables.

Advance received from customers are on account of the upfront revenue received from customer for which performance obligation has not yet been completed.

Movement of contract balances

(i) Advances received from customers	Particulars	For the year ended 31 March 2024	For the period 16 June 2022 to 31 March 2023
Balance as at the beginning of the year		-	-
Amount received during the year		0.95	-
Performance obligations satisfied in current year		-	-
Balance as at the end of the year		0.95	-

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(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 33 Operating segments

The Company is primarily in the business of garments. The Company's segments are reviewed by the Chief Operating Decision Maker does not result into identification of different ways sources into which they see the performance of the Company. Therefore, there is no reportable segment. Hence the disclosure requirements in terms of IND AS 108 'Operating Segments' are not applicable.

Information about major customer:

The Company has four customer whose revenue represents 55.96% amounting to Rs. 83.65 Crores (31 March 2023: four customers whose revenue represents 60.12% amounting to Rs. 25.94 Crores) of the Company's total revenue.

Information about geographical areas:

a) Revenue from customers

Particulars	As at 31 March 2024	As at 31 March 2023
Domestic	14,716.96	4,576.50
Export	235.35	-
Total	14,952.31	4,576.50

b) Information about Total assets

Particulars	As at 31 March 2024	As at 31 March 2023
Domestic	12,878.86	15,239.55
Export	110.00	-
Total	12,988.87	15,239.55

Domestic information includes sales and services to customers located in India.
Overseas information includes sales and services rendered to customers located outside India

Note No. 34 Employee Benefits

A. Post employment benefit plans

i) Defined contribution plans

The Company makes contributions, determined as specified percentage of employee salaries in respect of qualifying employees towards provident fund, employees state insurance and labour welfare fund, which are defined contribution plans. The Company has no obligation other than to make the specified contributions. The contributions are charged to statement of profit and loss as they occur. The amount recognised as expense towards contribution to provident fund, state insurance and labour welfare fund aggregated to Rs.302.16 lakhs (Previous period Rs. 69.80 lakhs).

ii) Defined benefit plans

The Gratuity amount has been computed based on respective employee's salary and the years of employment with the Company. Gratuity has been accrued based on actuarial valuation as at the balance sheet date, carried by an independent actuary.

The following table sets forth the status of the gratuity plan of the Company and the amounts recognised in the Balance Sheet and the Statement of Profit and Loss.

I. Net liability recognised in the Balance Sheet

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation	184.67	195.97
Net Liability recognised in Balance Sheet	184.67	195.97

II. Expense recognised in the Statement of Profit and Loss

Particulars	As at 31 March 2024	As at 31 March 2023
Current Service Cost	82.63	24.22
Interest cost on the net defined benefit liability/ (asset)	14.63	3.30
Expense recognised in the Statement of Profit and Loss	97.26	27.52

III. Remeasurement recognised in the Other Comprehensive Income

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial (gains)/ losses	-	-
- Change in demographic assumptions	(11.05)	-
- Change in financial assumptions	(22.97)	-
- Experience adjustments (i.e. actual experience vs assumptions)	(47.44)	(16.40)
Remeasurement recognised in the Other Comprehensive Income	(81.46)	(16.40)

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(CIN: U18100KA2022PTC161480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

IV. Movement in the present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Present value of defined benefit obligation at beginning of year / date of acquisition	195.97	184.86
Current Service cost	82.63	24.21
Past Service Cost	-	-
Interest cost	14.63	3.30
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(11.05)	-
- Change in financial assumptions	(22.97)	-
- experience variance (i.e. Actual experience vs assumptions)	(47.44)	(16.40)
Benefits paid	(27.10)	-
Present value of defined benefit obligation as at end of the year	184.67	195.97

V. Bifurcation of present value of obligation at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (Short term)	8.03	16.31
Non-current liability (Long term)	176.64	179.66

VI. Principal actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.45%
Salary growth rate (per annum)	7.00%	8.00%
Retirement age (in years)	58.00	58.00
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate (per annum)		
-18 to 30 years	6.00%	3.00%
-31 to 44 years	9.00%	2.00%
-Above 45 years	3.00%	1.00%

VII. Sensitivity analysis

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

Particulars	Increase	Decrease
As at 31 March 2024		
Discount rate (1% movement)	(166.78)	205.58
Salary growth rate (1% movement)	205.41	(166.59)
Attrition Rate (50% movement)	(177.14)	192.33
Mortality Rate (10% movement)	184.79	184.66
As at 31 March 2023		
Discount rate (1% movement)	(169.47)	228.55
Salary growth rate (1% movement)	228.04	(169.37)
Attrition Rate (50% movement)	(191.95)	200.22
Mortality Rate (10% movement)	195.93	196.00

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

VIII. Risk exposure

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

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

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

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

Regulatory Risk: Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts (e.g. Increase in the maximum limit on gratuity of Rs. 20 Lakhs).

IX. Expected maturity analysis of the defined benefit plans in

Particulars	As at 31 March 2024	As at 31 March 2023
Upto 1 year	8.03	16.31
Between 2 to 5 years	51.53	19.18
Between 6 to 10 years	79.33	47.77
More than 10 years	320.46	686.81
Total	459.35	770.07

The weighted average duration of the defined benefit plan obligation as at 31 March 2024 is 11 years.
The weighted average duration of the defined benefit plan obligation

B. Long term Employee Benefits (Compensated Absences)

I. Bifurcation of present value of obligation at the end of the year

Particulars	As at 31 March 2024	As at 31 March 2023
Current liability (Short term)	10.56	2.79
Non-current liability (Long term)	83.99	78.78

II. Principal actuarial assumptions

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	7.20%	7.45%
Salary growth rate (per annum)	7.00%	8.00%
Retirement age	58.00	58.00
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Withdrawal rate	6.00%	3.00%
-18 to 30 years	9.00%	2.00%
-31 to 44 years	3.00%	1.00%
-Above 44 years	0.00%	0.00%
Rate of Leave Availment (per annum)	0.00%	0.00%
Rate of Leave Encashment during employment (per annum)	0.00%	0.00%

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Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 35 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no dues to Micro and Small Enterprises for the year ended 31 March 2024 & 31 March 2023.

Particulars	As at 31 March 2024	As at 31 March 2023
(i) the principal amount and interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	-
(ii) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year, and	-	-
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by auditors.

Note No. 36 Related Party Disclosures

(a) Names of related parties and related party relationships

Ultimate holding Company
Holding Company

OFB Tech Private Limited (with effect from 22 September 2022)
OFG Manufacturing Businesses Private Limited (with effect from 22 September 2022)

Key managerial personnel

Arth Mahendrakumar Patel (Appointed with effect from 02 Dec 2022)
Aditya Singh Bhadoria (Appointed with effect from 02 Dec 2022)
Sakhardande Naresh Dmanath (Appointed with effect from 02 Dec 2022)
Mansunaru Nituparani (Ceased with effect from 02 Dec 2022)
Mansunaru Pralap kumar (Ceased with effect from 02 Dec 2022)
Sakhardande Naresh Dmanath (Ceased with effect from 31 Mar 2024)

(b) Transactions with related parties

Name of Related Party	Nature of Transaction	For the year ended 31 March 2024	For the period 16 June 2022 to 31
OFB Tech Private Limited	Loan Taken	1,975.00	5,800.00
	Loan Repaid	4,714.22	1,000.01
	Interest on Loan	437.82	182.88
	Processing Fees and Business Auxiliary Services	63.07	4.50
	Professional Services	90.75	17.39
	Purchase of Property, plant and equipment	-	0.27
OFG Manufacturing Businesses Pvt Ltd	Purchase of equity shares	-	3,199.00
	Reimbursement of expense	-	0.10
Mansunaru Pralap kumar	Purchase of equity shares	-	0.50
	Purchase of equity shares	120.00	29.03
Mansunaru Pralap kumar	Rent expense	50.00	-
	Legal & Professional Charges	120.00	29.03
Mansunaru Nituparani	Rent expense	-	0.50
	Purchase of equity shares	-	-
Aditya Singh Bhadoria	Reimbursement of expense	0.77	-
	Salary Expenses	18.98	-
Naresh D Sakhardande	Reimbursement of expense	0.24	5.26
	Reimbursement of expense	-	-

(c) Outstanding balances

Name of Related Party	Nature of Transaction	As at 31 March 2024	As at 31 March 2023
OFB Tech Private Limited	Loan Payable	2,560.78	4,799.99
	Interest payable	27.88	-
	Trade Payable	102.35	21.16
Mansunaru Pralap kumar	Trade Payable	10.80	-
Mansunaru Nituparani	Trade Payable	10.80	-
Aditya Singh Bhadoria	Trade Payable	0.52	-

(d) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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Note No. 37 Financial risk management objectives and policies

The Company's principal financial liabilities comprises of borrowings, trade payables, lease liabilities, other financial liabilities and financial assets includes trade receivables, cash and cash equivalents, bank balances, other financial assets that derive directly from its operations. The Company's financial risk management is an integral part of business plan and execution of business strategies. The Company is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

A. 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 comprises of foreign currency risk and interest rate risk. Financial instruments affected by market risk include borrowings, loan and deposits.

i) 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 exchange rates. The Company is not exposed to any foreign currency risk as there is no material transaction in foreign currency.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The currency profile of financial instruments as at 31 March 2024 & 31 March 2023 are as below:

Particulars	As at 31 March 2024
Advance to Supplier (USD in Lakhs)	0.17
Trade receivables (USD in Lakhs)	1.15
Net exposure (Foreign exchange) (USD in Lakhs)	1.32
Net exposure (INR in Lakhs)	110.00

Particulars	As at 31 March 2023
Trade payables (USD in Lakhs)	0.14
Net exposure (Foreign exchange) (USD in Lakhs)	0.14
Net exposure (INR in Lakhs)	11.84

Sensitivity analysis

A strengthening of the Indian Rupee, as indicated below, against USD would have increased(decreased) profit or loss (before tax) by the amounts shown below. This analysis is based on foreign currency exchange rate variations that the Company considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	As at 31 March 2024		As at 31 March 2023	
	Strengthening	Weakening	Strengthening	Weakening
5% movement INR/USD	5.50	(5.50)	0.59	(0.59)
Total	5.50	(5.50)	0.59	(0.59)

ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

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

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	3,722.53	1,761.16
Total	3,722.53	1,761.16

Sensitivity analysis

Variable interest rate loans are exposed to interest rate risk, the impact on profit before tax may be as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Interest rate- increase by 100 basis points (100 bps)	(37.23)	(17.61)
Interest rate- decrease by 100 basis points (100 bps)	37.23	17.61

B. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities (primarily trade receivables). The carrying amount of all financial assets represents the maximum credit exposure.

(i) Trade receivables

The Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period.

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Financial assets to which loss allowance is measured using lifetime /12 months Expected Credit Loss (ECL) as on 31 March 2024 and 31 March 2023.

Particulars	Gross Carrying Amount	Expected credit loss provision	Carrying amount net of provision
As at 31 March 2024	3,234.20	(2.77)	3,231.43

Particulars	Gross Carrying Amount	Expected credit loss provision	Carrying amount net of provision
As at 31 March 2023	4,493.48	(6.42)	4,487.07

(ii) Cash and bank balances

The Company held cash and bank balances of Rs. 2.22 lakhs (31 March 2023: Rs. 215.7 lakhs)

(iii) Others

Other than receivables reported above, the Company has no other material financial assets which carries any significant credit risk.

C. Liquidity risk

Liquidity risk is defined as the risk that Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to all time maintain optimum level of equity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

As at 31 March 2024	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Borrowings	4,339.69	168.61	394.72	1,380.29	6,283.31
Lease liabilities	39.77	40.77	90.75	671.15	842.44
Trade payables	1,361.00	6.48	-	-	1,367.48
Other financial liabilities	-	-	-	-	-
Total	5,740.46	215.86	485.47	2,051.44	8,493.23

As at 31 March 2023	Less than 3 months	3-6 months	6-12 months	More than 12 months	Total
Borrowings	3,361.16	127.12	268.91	2,803.97	6,561.16
Lease liabilities	22.53	22.98	30.44	1,677.06	1,753.01
Trade payables	1,323.05	-	-	-	1,323.05
Other financial liabilities	15.43	-	-	1,000.00	1,015.43
Total	4,722.17	150.10	299.35	5,481.03	10,652.65

Note No. 38 Capital management

For the purpose of Company's capital management, capital includes equity capital and all other equity reserves attributable to equity shareholders. The primary objective of Company's capital management is to ensure that it maintains an effective capital structure and maximize shareholder's value. The Company manages its capital structure and makes adjustments in light of change in economic conditions. The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital. The gearing ratio at end of the reporting period was as follows.

Particulars	As at 31 March 2024	As at 31 March 2023
Debt*	6,283.31	6,561.16
Less: Cash and bank balances	2.22	215.70
Net Debts	6,281.09	6,345.46
Total Equity	3,926.53	3,731.09
Net Debt to Equity Ratio	1.60	1.70

*Includes current and non-current borrowings.

Note No. 39 Financial instruments by category

A. The classification of financial assets and financial liabilities by accounting categorisation for the year are as follows:

Particulars	As at 31 March 2024		As at 31 March 2023	
	Amortised cost	Fair value through profit and loss	Amortised cost	Fair value through profit and loss
Non-current				
Other financial assets	113.03	-	63.81	-
Current				
Trade receivables	3,231.43	-	4,487.07	-
Cash and cash equivalents	2.22	-	215.70	-
Total financial assets	3,347.28	-	4,766.58	-
Non-current				
Borrowings	1,380.29	-	2,803.97	-
Lease liabilities	671.15	-	1,677.06	-
Current				
Borrowings	4,903.02	-	3,757.19	-
Lease liabilities	171.29	-	75.94	-
Trade payables	1,367.48	-	1,323.05	-
Other financial liabilities	27.88	-	1,403.53	-
Total financial liabilities	8,521.11	-	11,040.74	-

The Company considers that the carrying amounts of amortised cost of financial assets and financial liabilities recognised in the financial statements are approximate to their fair values. All the financial instruments are categorised at Level 3 in the fair value hierarchy.

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(ii) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Measurement of fair values

The different levels of fair value have been defined below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

Fair value of the Company's financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

Particulars	Level	As at 31 March 2024		As at 31 March 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Non-current					
Security Deposit	3	-	-	63.81	63.81
Other financial assets	3	113.63	113.63	-	-
Current					
Trade receivables	3	3,231.43	3,231.43	4,487.07	4,487.07
Cash and cash equivalents	3	2.22	2.22	215.70	215.70
TOTAL		3,347.28	3,347.28	4,766.58	4,766.58
Non-current					
Borrowings	3	1,380.29	1,380.29	2,803.97	2,803.97
Current					
Borrowings	3	4,903.02	4,903.02	3,757.19	3,757.19
Trade payables	3	1,367.48	1,367.48	1,323.05	1,323.05
Other financial liabilities	3	27.88	27.88	1,403.53	1,403.53
TOTAL		7,678.67	7,678.67	9,287.74	9,287.74

Cash and cash equivalents, trade receivable, other non-current financial assets, current borrowings, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Note No. 40 Corporate social responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. Gross amount required to be spent by the Company during the year	14.00	-
B. Amount spent during the year on:		
(i) Construction/acquisition of any asset	14.00	-
(ii) On purposes other than (i) above	-	-
C. Provision for CSR Expenditure		
Opening Balance	-	-
Provision Made/(Paid) During the Year	-	-
Closing Balance	14.00	-
Total spend		
D. Shortfall/ (Excess) at the end of the year		
At the beginning of the period	-	-
Add: Shortfall/ (Excess) spent by the Company	-	-
At the end of the period	-	-
E. Nature of CSR Activities	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects through Mata Krishnavani Memorial Educational Society (REGD).	NIL

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Notes to financial statements for the year ended 31 March 2024

(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No.43. Business Combination

The Board of Directors in its meeting dated 01 December 2022 have approved the acquisition of one of business undertaking from Wonderblues (partnership firm) as a going concern on a slump sale basis for a total consideration of Rs. 7,044 lakh along with all related assets and liabilities with effect from 04 January 2023.

The above business undertaking of Wonderblues (partnership firm) was involved in the business of manufacture and sale of garments for domestic qualifies as a business as defined in Ind AS 103.

The company has accounted for the aforesaid acquisition as a business acquisition in term of IND AS 103 Business Combination at fair value on the date of acquisition:

Particulars	As at January 4, 2023
Assets	
The fair value of identifiable assets acquired and liabilities on the acquisition date was as follows:	676.66
Property, plant and equipment	2,445.43
Inventories	2,355.21
Trade receivables	7.92
Cash and cash equivalent	161.63
loans and advances	1.05
Other assets	5,647.90
Assets (A)	
Intangible Assets identified	3,550.00
Brand name	1,200.00
Customer Relationship	71.00
Non-compete agreement	4,821.00
Total intangible assets identified (B)	
	10,468.90
Total Assets (C) = (A) +(B)	
Liabilities	469.87
Borrowings	2,874.99
Trade Payables	279.79
Provisions	184.52
Other Liabilities	3,809.17
Total liabilities (D)	
	6,659.73
Total net identifiable asset acquired (E=C-D)	7,044.00
Less: Purchase consideration (F)	384.27
Goodwill (F-E)	

Note No. 44 There were no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

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Note No. 41 Financial Ratios

Particulars	Numerator	Denominator	As at 31 March 2024	As at 31 March 2023	Variance (in %)	Reason for variance*
(a) Current Ratio (in times)	Current assets	Current liabilities	0.95	1.13	-16%	
(b) Debt-Equity Ratio	Total Debt : Total borrowings - current & non-current lease obligation	Shareholders' equity	1.81	2.23	-19%	
(c) Debt Service Coverage Ratio	Earning : Profit after tax + depreciation and amortisation + finance cost - (-) net gain/ (loss) on sale of current investment	Debt service : finance cost + lease payments + principal repayments	0.28	3.67	-92%	Decrease is mainly due to decrease in profits and increase in the finance cost
(d) Net Profit Ratio	Net profits	Net sales	1.00%	11.00%	-91%	Decrease is mainly due to decrease in profits and increase in sales during the current year.
(e) Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	4.00%	28.00%	-86%	Decrease is mainly due to decrease in profits during the year.
(f) Return on Capital employed	Earning before interest and taxes	Capital employed : Net worth + Total Debt - Deferred Tax Liability	10.00%	9.00%	11%	
(g) Return on Investment	Net gain/ (loss) generated from investment	Average investment fund	NA	NA	NA	
(h) Trade receivables turnover ratio	Net sales	Average trade receivable	3.87	2.04	90%	Increase is mainly due to increase in sales during the current year.
(i) Inventory turnover ratio	Cost of goods sold & consumed	Average inventory	3.23	1.75	85%	Increase is mainly due to increase in purchases during the current year.
(j) Trade payables turnover ratio	Net purchases	Average trade payables	5.87	5.76	2%	
(k) Net capital turnover ratio	Net sales	Working capital	-43.74	-5.28	-928%	Decrease is mainly due to increase in sales and increase in borrowings during the current year.

* Reason for variance in case of ±25% from previous year

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(CIN: U18100KA2022PTC162480)
Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No. 42 Additional disclosures required by Schedule III (Division II) of the Act

42.1 Detail of Benami properties

The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

42.2 Relationship with struck off companies

The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

42.3 Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

42.4 Details of crypto / virtual currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the reporting financial year.

42.5 Undisclosed Income

The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period ended 31 March 2024 & 31 March 2023 in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42.6 Utilization of funds

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42.7 Wilful defaulter

The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority.

42.8 The Code on Social Security, 2020 (Code) relating to employee benefits during employment and post employment benefits received presidential assent in September 2020. The Code has been published in Gazette of India. However, the date on which the Code will come in to effect has not been notified. The Company will assess the impact of the Code when it comes in to effect and will record any related impact in the period the Code becomes effective.

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(CIN: U18100KA2022PTC162480)

Notes to financial statements for the year ended 31 March 2024
(All amounts are in Rs. Lakhs, unless otherwise stated)

Note No.45. The Company has identified accounting software for maintaining its books of account which require audit trail feature (edit log) facility as per the requirements of proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014. The Company evaluated and noted that in respect of accounting software the audit trail (edit log) feature was enabled from March 14, 2024.

Note No. 46. The financial statements of the Company for the year ended March 31, 2023, were audited by predecessor auditor who issued an opinion on August 09, 2023.

Note No. 47. The corresponding previous period figures are for the period from June 16, 2022 to March 31, 2023 and are therefore, not directly comparable with those of current year.

Note No.48. The financial statements were approved for issue by the Board of Directors on 18 June 2024.

For and on behalf of the Board of Directors of
Wonderblues Apparels Private Limited

ARTH
MAHENDRAK
UMAR PATEL
Arth Mahendrakumar Patel
Director
DIN: 07498219

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MAHENDRAKUMAR
PATEL
Date: 2024.06.18
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ADITYA
SINGH
BHADORIA
Aditya Singh Bhadoria
Director
DIN: 09809188

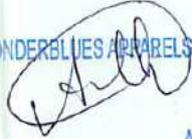
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BHADORIA
Date: 2024.06.18
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Place: Gurugram
Date: June 18, 2024

Place: Gurugram
Date: June 18, 2024

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