

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Palred Retail Private Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Palred Retail Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information 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 read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its loss including other comprehensive income, changes in equity and its cash flows 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 Responsibilities 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors are responsible for the other information. The other information does not include the financial statements and our auditor's opinion thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusions thereon.

In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial information, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a materially misstated amount of this information, we are required to report that fact. We have nothing to report in this regard.





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

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

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

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

## **Auditor's Responsibilities 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vii) below on reporting under Rule 11(g).





- (c) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vii) below on reporting under Rule 11(g).
- (d) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (f) 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 are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (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 C".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - (1) The Management has represented that, to the best of its knowledge and belief, 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.
    - (2) The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, 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.



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- (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard 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 (1) and (2) above, contain any material mis-statement.
- v. The company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, the Company has used an accounting software for maintaining its books of account during the year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility, except that the audit trail feature was not enabled in the accounting software throughout the year.

**For M S K A & Associates**

## Chartered Accountants

**ICAI Firm Registration No. 105047W**

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**Mukesh Kumar Pugalia**

Partner

Membership No.221387

UDIN: 24221387BKELXT4170



Place: Hyderabad

Date: May 27, 2024



## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF PALRED RETAIL PRIVATE LIMITED**

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 management & Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



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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.

**For M S K A & Associates**

Chartered Accountants

**ICAI Firm Registration No. 105047W**

*Mukesh K. Pugalia*

**Mukesh Kumar Pugalia**

Partner

Membership No. 221387

UDIN: 24221387BKELXT4170



Place: Hyderabad

Date: May 27, 2024



**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PALRED RETAIL PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2024**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

- (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the provisions stated under clause 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i)(e) of the Order are not applicable to the Company.

ii.

- (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such verification.
- (b) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under clause 3(iii) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.





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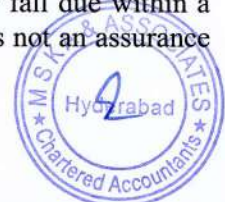
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- v. According In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-Section (1) of Section 148 of the Act, are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.
- vii.
  - (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.
  - (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Sales Tax, Value Added Tax, Service Tax, Provident fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess and other material statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Accordingly, the provisions stated under clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company does not have any loans or borrowings and repayment to the lenders during the year. Accordingly, the provisions stated in clause 3(ix) (a) to (f) of the Order are not applicable to the Company.
- x.
  - (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated under clause 3(x)(a) of the Order are not applicable to the Company.
  - (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi.
  - (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the year in the course of our audit.





- (b) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
- a. In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Act in clause 3(xv) of the Order 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 (2 of 1934) and accordingly, the provisions stated under clause 3(xvi)(a) to (d) of the Order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the provisions stated under clause 3(xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and based on our examination of financial ratios (as disclosed in note 39 to the financial statements), ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that a material uncertainty exists as on the date of audit report. However, the Company is 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.



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We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Act, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

**For M S K A & Associates**

Chartered Accountants

**ICAI Firm Registration No. 105047W**

*Mukesh K. Pugal*

**Mukesh Kumar Pugal**

Partner

Membership No. 221387

UDIN: 24221387BKELXT4170



Place: Hyderabad

Date: May 27, 2024



## **ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PALRED RETAIL PRIVATE LIMITED**

[Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Palred Retail Private Limited on the Financial Statements for the year ended March 31, 2024]

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

#### **Opinion**

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the 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 (ICAI) (the "Guidance Note").

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

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

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





The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls With reference to Financial Statements**

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

**For M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No. 105047W

**Mukesh Kumar Pugalia**

Partner

Membership No. 221387

UDIN: 24221387BKELXT4170



Place: Hyderabad

Date: May 27, 2024



Paired Retail Private Limited  
Balance Sheet as at March 31, 2024  
(All amounts are in Rs Lakhs except share data or unless otherwise stated)

**ASSETS**

**1. Non-current assets**

- (a) Property, plant and equipment  
(b) Intangible assets  
(c) Other non-current assets

**Total non-current assets**

**2. Current assets**

**(a) Financial assets**

- (i) Trade receivables  
(ii) Cash and cash equivalents

**(b) Other current assets**

**Total current assets**

**TOTAL ASSETS**

**EQUITY AND LIABILITIES**

**1. Equity**

- (a) Equity share capital  
(b) Other equity

**Total equity**

**2. Liabilities**

**Current liabilities**

**(a) Financial liabilities**

**i. Trade payables**

- (a) total outstanding dues of micro enterprises and small enterprises  
(b) total outstanding dues of creditors other than micro enterprise and small enterprises

**ii. Other financial liabilities**

**(b) Other current liabilities**

**Total current liabilities**

**Total liabilities**

**TOTAL EQUITY AND LIABILITIES**

Notes	As at March 31, 2024	As at March 31, 2023
3	0.41	0.47
3	0.23	0.42
4	40.47	40.48
	<u>41.11</u>	<u>41.37</u>
5	2.77	13.64
6	7.78	6.74
7	0.31	2.69
	<u>10.86</u>	<u>23.07</u>
	<u>51.97</u>	<u>64.44</u>
8	310.82	310.82
9	(465.02)	(456.01)
	<u>(154.20)</u>	<u>(145.19)</u>
10	186.34	182.16
11	19.83	27.46
12	-	0.01
	<u>206.17</u>	<u>209.63</u>
	<u>206.17</u>	<u>209.63</u>
	<u>51.97</u>	<u>64.44</u>

Summary of material accounting policies

1-2

As per our report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration No: 105047W

*Mukesh Kumar Pugalio*

Mukesh Kumar Pugalio  
Partner  
Membership No: 221387

Place: Hyderabad  
Date: May 27, 2024



For and on behalf of the Board of Directors of  
Paired Retail Private Limited  
CIN: U74999AP2018PTC108429

*Amreen Khwaja*  
Amreen Khwaja  
Managing Director  
DIN: 00800284

Place: Hyderabad  
Date: May 27, 2024

*S. Vijaya Saradhi*  
S. Vijaya Saradhi  
Director  
DIN: 03089889

Place: Hyderabad  
Date: May 27, 2024



Palred Retail Private Limited  
Statement of Profit and Loss for the year ended March 31, 2024  
(All amounts are in Rs Lakhs except share data or unless otherwise stated)

	Note No	For the year ended March 31, 2024	For the year ended March 31, 2023
I. Revenue from operations	13	2.71	4.54
II. Other income	14	-	5.54
III. Total income (I+II)		2.71	10.08
IV. Expenses			
Purchase of stock-in-trade	15	1.21	3.84
Employee benefit expenses	16	0.01	0.01
Depreciation and amortisation expense	17	0.25	0.35
Other expenses	18	10.25	9.65
Total expenses (IV)		11.72	13.85
V. Profit/(Loss) before tax		(9.01)	(3.77)
VI. Tax expense:			
a) Current tax		-	-
b) Deferred tax charge/(benefit)		-	-
Total tax expenses (VI)		-	-
VII. Profit/(Loss) for the year (V - VI)		(9.01)	(3.77)
VIII. Other comprehensive income			
(i) Items that will not be reclassified to profit and loss			
Remeasurement of employee benefit obligation, net of taxes		-	-
Other comprehensive income for the year		-	-
IX. Total comprehensive income for the year (VII + VIII)		(9.01)	(3.77)
X. Earnings/(Loss) per equity share			
(i) Basic earnings per equity share	19	(0.25)	(0.10)
(ii) Diluted earnings per equity share	19	(0.25)	(0.10)

Summary of material accounting policies

1-2

As per our report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration No:105047W

*Mukesh K. Pugalia*

Mukesh Kumar Pugalia  
Partner  
Membership No: 221387

Place: Hyderabad  
Date: May 27, 2024



For and on behalf of the Board of Directors of  
Palred Retail Private Limited  
CIN: U74999AP2018PTC106429

*Amaen Khwaja*  
Amaen Khwaja  
Managing Director  
DIN: 00800284

Place: Hyderabad  
Date: May 27, 2024

*S. Vijaya Saradhi*  
S. Vijaya Saradhi  
Director  
DIN: 03089889

Place: Hyderabad  
Date: May 27, 2024





Paired Retail Private Limited  
Statement of Cash flows for the year ended March 31, 2024  
(All amounts are in Rs Lakhs except share data or unless otherwise stated)

A. Cash flow from operating activities

Net Profit/(Loss) before tax as per statement of profit and loss

Adjustments for:

Liability no longer required written off

Depreciation and amortisation expense

Operating loss before working capital changes

Adjustments for working capital changes in:

(Increase )/decrease in inventories

(Increase )/decrease in trade receivables

(Increase )/decrease in other non current assets

(Increase )/decrease in other assets

(Increase )/decrease in trade payables

(Increase )/decrease in financial liabilities

(Increase )/decrease in other current liabilities

(Increase )/decrease in provisions

Net cash flows generated from/(used in) operating activities (A)

B. Cash flow from Investing activities

Interest paid

Net cash flows generated from/(used in) investing activities (B)

Net increase in cash and cash equivalents (A+B)

Cash and cash equivalents at the beginning of the year

Cash and cash equivalents at the end of the period

Cash and cash equivalents includes:

Cash on hand

Cash Equivalents

Current accounts

Total cash and bank balances at end of the year

	For the year ended March 31, 2024	For the year ended March 31, 2023
	(9.01)	(3.77)
	-	(0.34)
	0.25	0.35
	(8.76)	(3.76)
	-	-
	10.87	(9.43)
	0.01	11.91
	2.38	7.69
	4.18	(17.44)
	(7.63)	17.23
	(0.01)	(0.53)
	-	(0.75)
	1.04	4.92
	-	-
	1.04	4.92
	6.74	1.82
	7.78	6.74
	-	-
	7.78	6.74
	7.78	6.74

Summary of material accounting policies

1-2

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No:105047W

*Mukesh Kumar Pugalia*

Mukesh Kumar Pugalia

Partner

Membership No: 221387

Place: Hyderabad

Date: May 27, 2024



For and on behalf of the Board of Directors of

Paired Retail Private Limited

CIN: U74999AP2018PTC108429

*Alnoor Khwaja*

Alnoor Khwaja

Managing Director

DIN: 00800284

Place: Hyderabad

Date: May 27, 2024

*S. Vijaya Saradhi*

S. Vijaya Saradhi

Director

DIN: 03089889

Place: Hyderabad

Date: May 27, 2024



Paired Retail Private Limited  
Statement of changes in equity for the year ended March 31, 2024  
(All amounts are in Rs Lakhs except share data or unless otherwise stated)

(A) Equity share capital

Equity shares of Rs. 10 each issued, subscribed and fully paid  
Balance as at April 01, 2023  
Changes in equity share capital during the current year  
Balance as at March 31, 2024

For the year ended March 31, 2024	
No. of shares	Amount
36,31,500	310.82
-	-
36,31,500	310.82

Equity shares of INR 10 each issued, subscribed and fully paid  
Balance as at April 01, 2022  
Changes in equity share capital during the current year (Note 11)  
Balance as at March 31, 2023

For the year ended March 31, 2023	
No. of shares	Amount
36,31,500	310.82
-	-
36,31,500	310.82

(B) Other equity

Particulars	Reserve and surplus	Other comprehensive income	Total
	Retained earnings	Remeasurement of defined benefit plans	
Balance as at April 1, 2022	(458.12)	5.88	(452.24)
Loss for the period	(3.77)	-	(3.77)
Other comprehensive income, net of taxes	-	-	-
Balance as at April 1, 2023	(461.89)	5.88	(456.01)
Loss for the period	(9.01)	-	(9.01)
Other comprehensive income, net of taxes	-	-	-
Other adjustment	-	-	-
Balance as at March 31, 2024	(470.90)	5.88	(465.02)

Summary of material accounting policies

1-2

As per our report of even date  
For M S K A & Associates  
Chartered Accountants  
Firm Registration No: 105047W

*Mukesh Kumar Pugalia*

Mukesh Kumar Pugalia  
Partner  
Membership No: 221387

Place: Hyderabad  
Date: May 27, 2024



For and on behalf of the Board of Directors of  
Paired Retail Private Limited  
CIN: U74999AP2018PTC108429

*Ameen Khwaja*

Ameen Khwaja  
Managing Director  
DIN: 00800284

Place: Hyderabad  
Date: May 27, 2024

*S. Vijaya Saradhi*

S. Vijaya Saradhi  
Director  
DIN: 03089889

Place: Hyderabad  
Date: May 27, 2024





### 1.1 General Information

Palred Retail Private Limited (the 'Company') is a private company domiciled in India and incorporated under the provisions of the Companies Act 2013. The Company is engaged in the business of trading in mobile and computer accessories and other electronic products. The Company has its registered office at Survey No. 1240, Nannur, Orvakal, Kurnool, Andhra Pradesh- 518 002.

The Company is a subsidiary of Palred Technologies Limited ('Holding Company') whose equity shares are listed on National Stock Exchange and Bombay Stock Exchange in India.

### 1.2 Statement of Compliance with Ind AS

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, issued by the Ministry of Corporate Affairs ('MCA').

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. These financial statements have been prepared for the Company as a going concern on the basis of relevant IND AS that are effective at the Company's annual reporting date March 31, 2024.

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items in the Balance sheet:

- i) Certain financial assets and liabilities measured either at fair value;
- ii) Net defined assets/ (Liability) are measured at fair value of plan assets, less present value of defined benefit obligations.

### 1.3 Use of estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the Management to make judgements, estimate and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amount of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and in any future periods effected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- i. Note (c) and (d) – Useful lives of property, plant and equipment and other intangible assets;
- ii. Note (e) – Impairment;
- iii. Note (g) – Financial instruments;
- iv. Note (k) – Provisions, contingent liabilities and contingent assets; and
- v. Note (j) – Income taxes.

### 1.4 New and amended standards adopted by the Company

There are no new and amended standards during the year.

### 1.5 Standards issued but not effective

The Ministry of Corporate Affairs ('MCA') notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard) Amendment Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments relating to existing standards applicable to the Company.

## 2 Summary of Material accounting policies

The financial statements have been prepared using the accounting policies and measurement basis summarized below.

#### a. Functional Currency

The financial statements are presented in Indian Rupee ('INR') which is also the functional and presentation currency of the Company. All financial information presented in Indian Rupees has been rounded to the nearest lakhs, unless otherwise stated.

#### b. Current and non-current classification

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Division II- Ind AS Schedule III to the Act. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current when it is:

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

A liability is classified as current when:

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

Current assets/ liabilities include the current portion of non-current assets/liabilities respectively. All other assets/ liabilities including deferred tax assets and liabilities are classified as non-current.



c. **Property, plant and equipment (PPE)**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, taxes (other than those subsequently recoverable from tax authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (Major components) of PPE.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances. Capital Work-in-progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date.

Depreciation on property, plant and equipment is calculated on pro-rata basis on Straight Line method using the useful lives of the assets estimated by management. The useful life is as follows:

Asset	Useful life (In years)
Leasehold improvement*	Over the lease term*
Office Equipment	5 years
Computers:	
-Servers	6 years
-End user devices such as, desktops, laptops etc.	3 years

\* For Leasehold improvements useful life of the asset is lower of useful life as per schedule III or lease period.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of the asset being ready for use. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'/'Other expenses'. With respect to the assets costing less than Rs. 5,000 based on an internal assessment and materiality, the management has estimated that the same shall be depreciated in the year of purchase. The residual values are not more than 5% of the original cost of the asset.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

d. **Intangible assets**

Other intangible assets are stated at cost of acquisition less accumulated amortisation and impairment. These are derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from disposal of the intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the assets are disposed off.

Intangible assets are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The other intangible assets comprise of computer software expenditure and are amortized over a period of three years. The amortisation period and the amortisation method for an intangible asset is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.





e. Financial Instruments

*Initial Recognition and measurement*

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value and, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

*Classification and subsequent measurement*

**Financial Assets**

On initial recognition, a financial asset is classified as

- i. amortised cost;
- ii. fair value through other comprehensive income ("FVTOCI") - debt investment;
- iii. FVTOCI - equity investment; or
- iv. FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

*Amortised cost*

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- i. the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit or loss.

*FVTOCI - debt investment*

A debt investment is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

- i. the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

*Equity investment*

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI - equity investment). This election is made on an investment by-investment basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit or loss.

*FVTPL*

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Financial liabilities**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit or loss. Any gain or loss on derecognition is also recognised in statement of profit or loss.

*De-recognition*

**Financial assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.



#### Financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

#### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments such as forward exchange contracts and interest rate risk exposures to hedge its risk associated with foreign currency fluctuations and changes in interest rates. Derivatives are initially measured at fair value and subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of profit or loss, since the Company's hedging instruments did not qualify for hedge accounting in accordance with the Ind-AS 39. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

#### Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### Dividend distribution to equity holders of the Company

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

#### f. Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting period are translated into the functional currency at the exchange rate at that date. Non-monetary items denominated in foreign currencies which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates at the date when the fair value was measured.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

#### g. Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- The Company's performance creates or enhances an asset that the customer controls as the asset created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment or performance completed to date.

For the performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

#### Sale of goods

Revenue from sale of goods is recognised where control is transferred to Company's customers at the time of shipment to or receipt of goods by the customer.

Revenue from sale of goods includes only the gross inflows of economic benefits, received and receivable by the Company, on its own account. Amount collected on behalf of third parties such as sales tax and value added taxes are excluded from revenue.





h. Taxes

Tax expense recognized in statement of profit or loss consists of current and deferred tax except to the extent that it relates to items recognised in OCI or directly in equity, in which case it is recognised in OCI or directly in equity respectively.

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Withholding tax arising out of payment of dividends to shareholders under the Indian Income tax regulations is not considered as tax expense for the Company and all such taxes are recognised in the statement of changes in equity as part of the associated dividend payment.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent it is reasonably certain that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

As at March 31, 2024 and March 31, 2023, the Company has deferred tax asset on account of unabsorbed business loss, unabsorbed tax depreciation and other items, which have not been recognized on the grounds of prudence. Consequently, there is no deferred tax asset (net of liability) recorded in the financial statements as at reporting periods presented.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j. Cash flow statement

The Cash flow statement is prepared as per the Indirect Method. Cash flow statement present the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

k. Exceptional Items

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company's financial performance. Items which may be considered exceptional are significant restructuring charges, gains or losses on disposal of investments in subsidiaries, impairment losses/write down in value of investment in subsidiaries, significant disposal of fixed assets etc.

l. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential ordinary shares.

m. Contributed equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.



3 Property, plant and equipment (Including Intangible Assets)

Gross carrying value

Particulars	Office Equipment	Computers	Computer Software	Total
Balance as at April 1, 2022	0.46	2.20	0.95	3.61
Additions for the year	-	-	-	-
Disposals for the year	-	-	-	-
Balance as at March 31, 2023	0.46	2.20	0.95	3.61
Additions for the year	-	-	-	-
Disposals for the year	-	-	-	-
Balance as at March 31, 2024	0.46	2.20	0.95	3.61

Accumulated depreciation

Balance as at April 1, 2022	0.37	1.66	0.34	2.37
Charge for the year	0.04	0.12	0.19	0.35
Adjustments for disposals	-	-	-	-
Balance as at March 31, 2023	0.41	1.78	0.53	2.72
Charge for the year	0.02	0.04	0.19	0.25
Adjustments for disposals	-	-	-	-
Balance as at March 31, 2024	0.43	1.82	0.72	2.97

Net carrying value

As at March 31, 2023	0.05	0.42	0.42	0.89
As at March 31, 2024	0.03	0.38	0.23	0.64





4 Other non-current assets

Balances with government authorities

As at March 31, 2024	As at March 31, 2023
40.47	40.48
40.47	40.48

5 Trade receivable

Trade receivables considered good - unsecured

Receivable from related Parties

Less: Loss Allowance

As at March 31, 2024	As at March 31, 2023
2.77	13.64
-	-
2.77	13.64

Ageing of Trade Receivables

March 31, 2024	Current							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	2.77	-	-	-	-	2.77
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
Total	-	-	2.77	-	-	-	-	2.77

March 31, 2023	Current							
Particulars	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	6.62	-	2.25	4.77	-	13.64
(ii) Undisputed Trade Receivables -which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	-	-
Total	-	-	6.62	-	2.25	4.77	-	13.64

6 Cash and cash equivalents

Balance with banks:

In current accounts

As at March 31, 2024	As at March 31, 2023
7.78	6.74
7.78	6.74

7 Other current assets

Vendor and employee advances

Balances with government authorities

As at March 31, 2024	As at March 31, 2023
0.22	2.59
0.09	0.10
0.31	2.69



8 Equity share capital

(a) Equity shares

Authorised :

Equity shares of INR. 10 each

Issued, subscribed and paid up :

Equity shares of INR. 10 each fully paid

Equity shares of INR. 10 each INR. 1 Paid-up

Total

As at March 31, 2024		As at March 31, 2023	
Number of shares	Amount	Number of shares	Amount
36,31,500	363.15	36,31,500	363.15
30,50,000	305.00	30,50,000	305.00
5,81,500	5.82	5,81,500	5.82
36,31,500	310.82	36,31,500	310.82

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

Shares outstanding at the beginning of the year

Add: Shares issued during the year

Shares outstanding at the end of the year

As at March 31, 2024		As at March 31, 2023	
Number of shares	Amount	Number of shares	Amount
36,31,500	310.82	36,31,500	310.82
-	-	-	-
36,31,500	310.82	36,31,500	310.82

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

The Company has one class of equity shares having a par value of INR. 10 each. Each shareholder is eligible for one vote per share held. Dividend proposed by Board of Directors, if any is subject to approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Particulars of shareholders holding more than 5% shares

Name of the shareholder

Equity shares of INR 10 each fully paid

Paired Technologies Limited

Palem Supriya Reddy

Equity shares of INR 10 each partly paid (Re. 1/- Paid up)

Palem Supriya Reddy

As at March 31, 2024		As at March 31, 2023	
No of Shares	% holding	No of Shares	% holding
30,40,000	83.72%	30,40,000	83.72%
10,000	0.28%	10,000	0.28%
4,80,000	13.21%	4,80,000	13.21%
35,30,000	97.21%	35,30,000	97.21%

Details of shareholding of promoters

Promoter name	No. Of Shares	March 31, 2024		March 31, 2023	
		% of total shares	% Change during the year		
Paired Technologies Limited	30,40,000	83.72%	-		
Palem Supriya Reddy	4,90,000	13.49%	-		
	35,30,000	97.21%			

(e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

9 Other equity

Particulars	Reserves and surplus	Other Comprehensive Income	Total
	Retained earnings	Remeasurement of defined benefit plans	
Balance as at April 1, 2022	(458.12)	5.88	(452.24)
Loss for the year	(3.77)	-	(3.77)
Balance as at March 31, 2023	(461.89)	5.88	(456.01)
Loss for the year	(9.01)	-	(9.01)
Balance as at March 31, 2024	(470.90)	5.88	(465.02)





10 Trade payables

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

As at March 31, 2024	As at March 31, 2023
-	-
186.34	182.16
186.34	182.16

Aging of trade payable

March 31, 2024	Current					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	-	186.34	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	-	186.34	-	-	-

March 31, 2023	Current					
Particulars	Unbilled Dues	Payables Not Due	Outstanding for following periods from due date of Payment			
			Less than 1 year	1-2 years	2-3 years	More than 3 years
(i) MSME	-	-	-	-	-	-
(ii) Disputed dues - MSME	-	-	-	-	-	-
(iii) Others	-	-	182.16	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	-	-	182.16	-	-	-

11 Other financial liabilities (current)

Other financial liabilities at amortised cost

Liability For Expenses

Other Payables

As at March 31, 2024	As at March 31, 2023
12.78	20.56
7.05	6.90
19.83	27.46

12 Other current liabilities

Statutory dues payable

As at March 31, 2024	As at March 31, 2023
-	0.01
-	0.01



Paired Retail Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts are in Rs Lakhs except share data or unless otherwise stated)

13 Revenue from operations

Sale of Goods

For the year ended March 31, 2024	For the year ended March 31, 2023
2.71	4.54
2.71	4.54

14 Other income

Liability no longer required written off  
Income tax Refund

For the year ended March 31, 2024	For the year ended March 31, 2023
-	0.34
-	5.20
-	5.54

15 Purchase of Stock-in-trade

Purchases of Stock in trade

For the year ended March 31, 2024	For the year ended March 31, 2023
1.21	3.84
1.21	3.84

16 Employee benefits expense

Salaries, wages and bonus  
Contribution to provident and other funds

For the year ended March 31, 2024	For the year ended March 31, 2023
-	-
0.01	0.01
0.01	0.01

17 Depreciation and amortisation expense

Depreciation of property, plant and equipment (Refer Note 3)  
amortisation of intangible assets (Refer Note 3)

For the year ended March 31, 2024	For the year ended March 31, 2023
0.06	0.16
0.19	0.19
0.25	0.35

18 Other expenses

Rates and taxes  
Website maintenance expenses  
Communication charges  
Delivery charges  
Bad debts written off  
Legal and professional expenses  
Payments to auditors (Refer Note below)  
Miscellaneous expenses

For the year ended March 31, 2024	For the year ended March 31, 2023
0.05	0.21
-	0.04
-	0.25
0.21	0.96
7.54	-
0.37	0.66
2.00	2.00
0.08	5.53
10.25	9.65

Note : The following is the break-up of payments to auditors (exclusive of Goods and service tax)

Payments to auditors  
Audit Fees  
Total

For the year ended March 31, 2024	For the year ended March 31, 2023
2.00	2.00
2.00	2.00





# 19 Earnings per equity share (EPES)

Basic earnings per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	As at March 31, 2024	As at March 31, 2023
Loss attributable to equity holders	(9.01)	(3.77)
Weighted average number of equity shares	36,31,500	36,31,500
Basic loss per share (INR)	(0.25)	(0.10)
Diluted loss per share (INR)	(0.25)	(0.10)

# 20 Fair value measurements

## (a) Financial instruments by category

For amortised cost instruments, carrying value represents the best estimate of fair value.

	As at March 31, 2024		As at March 31, 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
<b>Financial Assets</b>				
Trade receivables	-	2.77	-	13.64
Cash and cash equivalents	-	7.78	-	6.74
<b>Total financial assets</b>	-	10.55	-	20.38
<b>Financial liabilities</b>				
Trade payables		186.34		182.16
Other financial liabilities		19.83		27.46
<b>Total financial liabilities</b>	-	206.17	-	209.62

(b) Set out below, is a comparison by class of carrying amounts and fair value of the Company's financial instruments carried at amortised cost:

	As at March 31, 2024		As at March 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Trade receivables	2.77	2.77	13.64	13.64
Cash and cash equivalents	7.78	7.78	6.74	6.74
<b>Total</b>	10.55	10.55	20.38	20.38
<b>Financial liabilities</b>				
Trade payables	186.34	186.34	182.16	182.16
Other financial liabilities	19.83	19.83	27.46	27.46
<b>Total financial liabilities</b>	206.17	206.17	209.62	209.62

The carrying amounts of financial assets and financial liabilities are considered to be the same as their fair values, due to their short-term nature.

iv. The Company's principal financial liabilities, comprise other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents and other bank balances that derive directly from its operations.

The carrying amounts of trade receivables, and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. Difference between carrying amounts and fair values of bank deposits, other financial assets, other financial liabilities subsequently measured at amortised cost is not significant in each of the years presented. For all other amortised cost instruments, carrying value represents the best estimate of fair value.

For financial assets measured at fair values, the carrying amounts are equal to the fair values.



## 21 Financial risk management

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include market risk, credit risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimize potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks:

### A. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as commodity prices). The Company's exposure to market risk is a function of revenue generating and operating activities.

#### Interest rate risk:

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments in deposits is with banks and therefore do not expose the Company to significant interest rates risk. The Company's rate borrowing is subject to interest rate risk. However the same is fixed at 1.5%+ Interest rates on investments in deposits. Accordingly, no interest rate risk is perceived.

#### Commodity rate risk:

Exposure to market risk with respect to commodity prices primarily arises from Group's purchase and sale of computers, mobiles, electronic products, fashion accessories and related services. These are commodity products, whose prices may fluctuate significantly over short periods of time. The prices of the Group's purchases generally fluctuate in line with commodity cycles and are generally more volatile depending upon the market conditions. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies. For the reporting periods presented, the Group had not entered into any material derivative contracts to hedge exposure to fluctuations in commodity.

### B. Credit risk

Credit risk on Cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units and certificates of deposit which are funds deposited at a bank for a specified time period. None of the Company's cash equivalents, including term deposits (i.e. certificates of deposits) were past due or impaired as at the reporting periods.

#### Dues from collection agencies and other financial assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and region in which the customer operates, also has an influence on credit risk assessment.

On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for dues from collection agencies. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, credit ratings from credit rating agencies and historical experience for customers.

None of the Company's financial assets were past due or impaired as at the reporting periods.

### C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company's principle sources of liquidity are cash and cash equivalents and current investments. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. The Company closely monitors its liquidity position and maintains adequate source of funding. The Company had following working capital at the end of the reporting year.

Particulars	March 31, 2024	March 31, 2023
Current Assets	10.86	23.07
Current liabilities	206.17	209.63
Working Capital	(195.31)	(186.56)

### D. Excessive risk concentration

Concentrations arise when a number of counter parties are engaged in similar business activities, activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risks, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

## 22 Capital risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for share holders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The gearing ratio as at March 31, 2023 is Nil.





## 23 Related Party disclosures

### (a) Names of the related parties and nature of relationship

Names of related parties	Country	Nature of relationship
Palred Technologies Limited	India	Holding company
Palred Technology Services Private Limited	India	Fellow subsidiary
Palred Electronics Private Limited	India	Fellow subsidiary
Palred Online Technologies Limited	Hong Kong	Fellow subsidiary
Mr. Ameen Khwaja		Key Managerial Personnel
Mr. Pinekalapati Harish Naidu		Key Managerial Personnel
Mrs. Supriya Reddy		Relative of Key Managerial Personnel
Mrs. Stuthi Reddy		Key Managerial Personnel

### (b) During the year, following transactions were carried out with the related parties :

Names of related parties	Nature of transaction	For the year ended March 31, 2024	For the year ended March 31, 2023
Palred Electronics Private Limited	Purchase of Inventory	1.63	4.54
Palred Electronics Private Limited	Advertisement Reimbursement	-	11.37
Palred Electronics Private Limited	Reimbursement of Expenses	23.49	0.20

### (c) Balances receivable/(payables) as at year end

	As at March 31, 2024	As at March 31, 2023
Palred Electronics Private Limited	(207.29)	(205.71)
Palred Technologies Limited	-	0.22

## 24 Segment Reporting

The Company's business model and considering the internal financial reporting has identified "Trading in mobiles, electronic products, fashion accessories and providing related services" as the only reportable segment. Further all operations of the Company are based only in India with customer base and hence, no separate disclosures are applicable in accordance with the requirements of Ind AS 108- Operating segments.

## 25 Details of Benami Property held

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

## 26 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

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

## 27 Willful Defaulter

The company has not been declared as willful defaulter by any bank or financial institution or other lender.

## 28 Registration of charges or satisfaction with Registrar of Companies

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

## 29 Utilisation of Borrowed funds and share premium:

(i) The Company has 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

(ii) The Company has 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



**Paired Retail Private Limited**

**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024**

(All amounts are in Rs Lakhs except share data)

**30 Ratios**

S No.	Ratio	March 31, 2024		March 31, 2023		Ratio as on March 31, 2024	Ratio as on March 31, 2023	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	Numerator	Denominator				
(a)	Current Ratio	10.86	206.17	23.07	209.63	0.05	0.11	52.14%	Note 1(a)
(b)	Return on Equity Ratio	(9.01)	(154.20)	(3.77)	(145.19)	5.84	2.60	(125.03%)	Note 1(a)
(c)	Inventory Turnover Ratio	1.21	-	3.84	-	-	-	0.00%	NA
(d)	Trade Receivables Turnover Ratio	2.71	8.21	4.54	8.93	0.33	0.51	35.03%	Note 1(a)
(e)	Trade Payables Turnover Ratio	1.21	184.25	3.84	191.05	0.01	0.02	67.33%	Note 1(a)
(f)	Net Capital Turnover Ratio	2.71	(190.94)	4.54	(190.81)	(0.01)	(0.02)	40.35%	Note 1(a)
(g)	Net Profit Ratio	(9.01)	2.71	(3.77)	4.54	(3.32)	(0.83)	(300.38%)	Note 1(a)
(h)	Return on Capital Employed	(9.01)	(154.20)	(3.77)	(145.19)	0.06	0.03	(125.03%)	Note 1(a)
(i)	Return on Investment	(9.01)	(154.20)	(3.77)	(145.19)	0.06	0.03	(125.03%)	Note 1(a)

Note 1: a) Volume of business has been significantly decreased in the current year as compared to the previous year which lead to major variances in the ratios.





**Palred Retail Private Limited**

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2024  
(All amounts are in Rs Lakhs except share data or unless otherwise stated)

**31 Undisclosed income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) 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).

**32 Corporate Social Responsibility**

Provisions of Section 135 of the Act is not applicable to the company as the companies net worth is below Rs.500 crore, turnover is below Rs.1,000 crore and net profit or less than Rs.5 crore during immediately preceding financial year.

**33 Details of Crypto Currency or Virtual Currency**

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

**34 Compliance with approved scheme(s) of Arrangements**

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**35 Previous year figures have been regrouped/ reclassified to conform presentation as per Ind AS and as required by Schedule III of the Act.**

**36 Approval**

The above financial statements has been approved by the board of directors in their meeting held on May 27, 2024.

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

*Mukesh Kumar Pugalita*

Mukesh Kumar Pugalita

Partner

Membership No: 221387

Place: Hyderabad

Date: May 27, 2024



For and on behalf of the Board of Directors of

Palred Retail Private Limited

CIN: U22222TG2011PTC073292

*Ameen Khwaja*

Ameen Khwaja

Managing Director

DIN: 00800284

Place: Hyderabad

Date: May 27, 2024

*S. Vijaya Saradhi*

S. Vijaya Saradhi

Director

DIN: 03089889

Place: Hyderabad

Date: May 27, 2024

