

Independent Auditor's Report

To the Members of Brainbees Solutions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Brainbees Solutions Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant 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 standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

3. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors Report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

4. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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.
5. 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

7. 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 Standards on Auditing 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.
8. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act 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;
 - Conclude on the appropriateness of Board of Directors' 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;
9. 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.

Other Matter

10. The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, BSR & Co. LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 12 August 2022.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure B, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;



- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure A wherein we have expressed an unmodified opinion; and
- g) 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, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.;
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023;
- iv.
- a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (g) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (h) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

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- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar

Partner

Membership No.: 101797



UDIN: 23101797BGXFFA7808

Place: Pune

Date: 25 September 2023

Annexure A

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Brainbees Solutions Private Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 the Company's 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 preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. 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 were established and maintained and if such controls operated effectively in all material respects.
4. 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 includes obtaining an understanding of such internal financial controls, 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.
5. 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

6. A company's internal financial controls 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 controls with reference to financial statements include 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

7. 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 controls 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

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls 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.

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar

Shashi Tadwalkar

Partner

Membership No.: 101797



UDIN: 23101797BGXFFA7808

Place: Pune

Date: 25 September 2023

Annexure B

Annexure B referred to in Paragraph 12 of the Independent Auditor's Report of even date to the members of Brainbees Solution Private Limited on the standalone financial statements for the year ended 31 March 2023

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 report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, 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 have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

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(iii)

- (a) The Company has made investments in and /or provided loans or advances in the nature of loans, or guarantee, or security to Subsidiaries /Joint Ventures/ Associates/ Others during the year as per details given below:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount provided/granted during the year:			Subsidiaries - 400 Million Others - 286.34 Million	
- Subsidiaries - Joint Ventures - Associates - Others				
Balance outstanding as at balance sheet date in respect of above cases:			Subsidiaries - 451.81 Million Others - 322.57 Million	
- Subsidiaries - Joint Ventures - Associates - Others				

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal amount is not due for repayment currently, however, the receipt of the interest is regular.
- (d) There is no overdue amount in respect of loans or advances in the nature of loans granted to such companies, firms, LLPs or other parties.
- (e) The Company has granted loan(s) or advance(s) in the nature of loan which had fallen due during the year but such loan(s) or advance(s) have not been renewed or extended nor has the company granted fresh loans to settle the overdue amounts of existing loan(s) or advance(s) given to the same parties.

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- (f) The Company has granted loan(s) or advance(s) in the nature of loans which are repayable on demand or without specifying any terms or period of repayment, as per details below:

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	-	-	400 Million
Total (A+B)	-	-	400 Million
Percentage of loans/advances in nature of loan to the total loans	-	-	52.00%

- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable. Further, the Company has not entered into any transaction covered under section 185 of the Act.
- (v) The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing 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 material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

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Brainbees Solutions Private Limited
Independent Auditor's Report on the Audit of the Standalone Financial Statements for the year ended 31 March 2023

- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the statute	Nature of dues	Gross Amount (₹)	Amount paid under Protest (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	40.92 Million	8.18 Million	AY 2015-16	CIT(A)	
Income Tax Act, 1961	Income Tax	-	-	AY 2016-17 AY 2017-18	CIT(A)	
Customs Act, 1952	Customs Duty	0.53	-	FY 2019-20 FY 2020-21	Deputy Commissioner of Customs	
Income Tax Act, 1961	Income Tax	16.35 Million	2.53 Million	AY 2016-17	CIT(A)	
State Goods & Services tax Act	GST	5.09 Million	0.26 Million	FY 2017-18	Deputy Commissioner of State tax	

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) According to the information and explanations given to us, the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(ix) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.



- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act 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. Accordingly, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has incurred cash losses amounting to Rs. 516.72 million in the current financial year but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.



- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility pertaining to other than ongoing projects as at end of the current financial year. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Walker Chandio & Co LLP

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Shashi Tadwalkar

Partner

Membership No.: 101797



UDIN: 23101797BGXFFA7808

Place: Pune

Date: 25 September 2023

Brainbees Solutions Private Limited
Standalone Balance Sheet as at March 31, 2023
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
Assets			
Non-current assets			
Property, plant and equipment	4	1,769.21	1,182.79
Capital work-in-progress	4	134.64	204.57
Right of use asset	5	4,203.22	2,695.23
Goodwill	6	3,032.47	3,032.47
Other intangible assets	7	398.14	405.07
Intangible assets under development	7	0.67	1.25
Financial assets			
(a) Investments	8	14,724.51	10,108.49
(b) Other financial assets	9 (a)	456.09	279.14
Deferred tax assets (net)	10	1,349.06	1,108.20
Income tax assets (net)	11	167.54	102.36
Other non-current assets	12 (a)	584.63	346.72
Total non-current assets		26,820.18	19,466.29
Current assets			
Inventories	13	4,321.43	7,696.70
Financial assets			
(a) Trade receivables	14	4,675.92	1,446.50
(b) Cash and cash equivalents	15	1,117.88	1,967.13
(c) Bank balances other than (b) above	16	6,845.08	10,463.14
(d) Loans	17	774.38	88.04
(e) Other financial assets	9 (b)	214.60	195.66
Other current assets	12 (b)	450.09	1,932.61
Total current assets		18,399.38	23,789.79
Total Assets		45,219.56	43,256.08
Equity and liabilities			
Equity			
Equity share capital	18	866.52	865.88
Equity Component of Compulsorily Convertible Preference Shares	19	70.37	70.37
Other equity	20	36,509.44	34,638.16
Total equity		37,446.33	35,574.41
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	5	4,050.86	2,423.78
(b) Other financial liabilities	21 (a)	2.73	4.40
Provisions	22 (a)	133.32	115.38
Total non-current liabilities		4,186.91	2,543.56
Current liabilities			
Financial liabilities			
(a) Lease liabilities	5	463.94	430.86
(b) Trade payables			
Dues of micro enterprises and small enterprises	23	37.32	23.65
Dues of creditors other than micro enterprises and small enterprises	23	2,275.44	3,830.77
(c) Other financial liabilities	21 (b)	366.84	270.35
Other current liabilities	24	406.39	552.47
Provisions	22 (b)	36.39	30.00
Total current liabilities		3,586.32	5,138.11
Total equity and liabilities		45,219.56	43,256.08

Summary of significant accounting policies

2-3

See accompanying notes forming integral part of financial statements

4-47

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N00013



Shashi Tadwalkar

Partner

Membership Number - 101797

Place : Pune

Date :

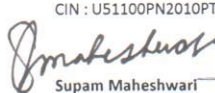

UDIN : 23101797BGXFFA7808



For and on behalf of the Board of Directors

Brainbees Solutions Private Limited

CIN : U51100PN2010PTC136340

Supam Maheshwari

Managing Director

DIN : 01730685

Place : Pune

Date :

Sanket Hattimattur

Director

DIN : 09593712

Place : Pune

Date :



Gautam Sharma

Chief Financial Officer

Place : Pune

Date :



Neelam Jethani

Company Secretary

Place : Pune

Date :

Brainbees Solutions Private Limited
Standalone Statement of Profit and Loss for year ended March 31, 2023
(All amounts in Rupees millions, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	25	25,418.92	17,523.86
Other income	26	987.27	898.92
Total Income		26,406.19	18,422.78
Expenses			
Purchases of stock-in-trade	27	14,193.59	14,590.88
Changes in inventories of Stock-in-Trade	28	3,375.27	(3,376.81)
Employee benefits expense			
(i) Employee benefits expense	29	2,012.54	1,706.45
(ii) Employee share based payment expense	30	3,232.01	827.30
Finance cost	31	400.49	231.18
Depreciation and amortisation expense	32	1,292.31	868.20
Other expenses	33	3,709.01	3,237.84
Total expenses		28,215.22	18,085.04
(Loss)/ Profit before tax		(1,809.03)	337.74
Tax Income/ (Expense)			
Current tax income/ (expense)	34	-	-
Deferred tax income/ (expense)	34	245.10	(149.98)
Total tax income /(expense)		245.10	(149.98)
(Loss)/ Profit for the year		(1,563.93)	187.76
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Re-measurement of post-employment benefit obligations	39	16.87	14.06
Income tax relating to items that will not be reclassified to statement of profit or loss		(4.25)	(3.54)
Total other comprehensive income		12.62	10.52
Total comprehensive (loss)/ income for the year		(1,551.31)	198.28
Earning per equity share			
Basis earning per share (Rs.)	35	(3.34)	0.45
Diluted earning per share (Rs.)	35	(3.34)	0.44

Summary of significant accounting policies

2-3

See accompanying notes forming integral part of financial statements

4-47

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration Number : 001076N/N00013

Shashi Tadwalkar

Shashi Tadwalkar

Partner

Membership Number - 101797

Place : Pune

Date :

UDIN : 23101797BGXFFA7808



For and on behalf of the Board of Directors

Brainbees Solutions Private Limited

CIN : U51100PN2010PTC136340

Supam Maheshwari *Sanket Hattimattur*

Supam Maheshwari

Managing Director

DIN : 01730685

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Date :

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Gautam Sharma

Chief Financial Officer

Place : Pune

Date :

Neelam Jethani

Neelam Jethani

Company Secretary

Place : Pune

Date :

Brainbees Solutions Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2023
(All amounts in Rupees millions, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flows from operating activities		
Net (Loss)/ Profit Before Tax as per Statement of Profit and Loss	(1,809.03)	337.74
Adjustments for:		
Depreciation on property, plant and equipment	589.50	327.10
Amortisation of intangible assets	33.12	38.08
Amortisation of right of use assets	669.69	503.02
Employee share based payment expense	3,232.01	827.30
Debtors written off	4.32	2.64
Unrealised foreign currency gain	(2.14)	(5.22)
(Gain) on Termination on Leases	(28.19)	-
Rent Concession	(19.69)	(7.36)
Interest income on fixed deposits with banks	(452.32)	(789.27)
Interest income on security deposits	(23.99)	(13.75)
Finance costs	400.49	231.18
Operating cash flow before working capital changes	2,593.77	1,451.46
Working capital changes		
(Increase)/Decrease in trade receivables	(3,231.60)	(157.22)
(Increase)/Decrease in inventories	3,375.27	(3,376.81)
(Increase)/Decrease in other financial assets	(111.36)	(19.37)
(Increase)/Decrease in other non-current assets	(237.91)	(79.91)
(Increase)/Decrease in other current assets	1,482.52	(1,092.31)
Increase/(Decrease) in trade payables	(1,541.67)	1,412.76
Increase/(Decrease) in other current liabilities	(146.08)	214.99
Increase/(Decrease) in provisions	41.21	38.37
Increase/(Decrease) in current and non-current financial liabilities	94.82	186.90
Cash generated from / (used in) operating activities	2,318.97	(1,421.14)
Income tax paid (net of refund received)	(65.19)	(86.59)
Net cash generated from / (used in) operating activities (A)	2,253.78	(1,507.73)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(1,108.11)	(1,117.38)
Proceeds from sale of property, plant and equipment	2.13	-
Acquisition of intangible assets	(25.61)	(28.07)
Investments in Bank deposits	(18,960.90)	(27,221.75)
Proceeds from Bank deposits	22,398.91	36,490.75
Investments in subsidiaries and other entities	(4,425.92)	(6,945.07)
Loans Given to Subsidiaries	(686.34)	(88.04)
Interest received	456.95	1,050.06
Net cash (used in)/generated from investing activities (B)	(2,348.89)	2,140.50
Cash flow from financing activities		
Proceeds from issue of shares	0.64	54.99
Net Proceeds from Rights Issue	-	73.56
Proceeds from securities premium	0.47	12.25
Amount paid on Repurchase of Equity Interest (Refer Note 43)	-	(958.47)
Repayment of lease liabilities (including Interest)	(753.60)	(519.16)
Interest paid	(1.64)	-
Net cash generated from financing activities (C)	(754.14)	(1,336.83)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(849.25)	(704.06)
Cash and cash equivalents at the beginning of the year	1,967.13	2,671.19
Cash and cash equivalents at the end of the year	1,117.88	1,967.13

Notes:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Components of cash and cash equivalents:			
Cash on hand	0.33	0.49	0.77
Balances with banks			
In current accounts	337.55	466.64	1,140.41
In deposit accounts having original maturity less than 3 months	780.00	1,500.00	1,530.00
Total	1,117.88	1,967.13	2,671.19

Movement in financial liabilities

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance of lease liabilities	2,854.63	1,423.02
Cash flows	(753.60)	(519.16)
Non cash changes	2,413.78	1,950.76
Closing balance of lease liabilities	4,514.80	2,854.63

Non-cash movement represents:

- With respect to leases, accrual of interest on lease liabilities, rent concessions, new additions and deletions to the leases.

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N00013

Shashi Tadwalkar
Partner
Membership Number - 101797
Place : Pune
Date :
UDIN : 23101797BGXFFA7808



For and on behalf of the Board of Directors
Brainbees Solutions Private Limited
CIN : U51100PN2010PTC136340

Supam Maheshwari *Sanket Hattimattur*

Supam Maheshwari
Managing Director
DIN : 01730685
Place : Pune
Date :

Sanket Hattimattur
Director
DIN : 09593712
Place : Pune
Date :

Gautam Sharma
Gautam Sharma
Chief Financial Officer
Place : Pune
Date :

Neelam Jethani
Neelam Jethani
Company Secretary
Place : Pune
Date :

Brainbees Solutions Private Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in Rupees millions, unless otherwise stated)

a. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	865.88	714.47
Changes in Equity Shares during the year	0.64	151.41
Balance as at end of the year	866.52	865.88

b. Equity Component of Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	70.37	70.43
Changes in Equity Component of Compulsorily Convertible Preference Shares during the year	-	(0.06)
Balance as at end of the year	70.37	70.37

c. Other equity

March 31, 2022

March 31, 2022		Attributable to the owners of the Company					
Particulars	Reserves & Surplus					Total	
	Retained earnings	Share options outstanding account	Securities premium	Capital redemption reserve	Remeasurement of the net defined benefit Plans	Total attributable to owners of the Company	
Balance as at 1 April 2021	5,065.35	956.59	28,516.33	6.59	22.87	34,567.73	
Profit for the year	187.76	-	-	-	-	187.76	
Other comprehensive income (net of tax)	-	-	-	-	10.52	10.52	
Total comprehensive income for the year	187.76	-	-	-	10.52	198.28	
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	
Share-based payment Expense	-	841.17	-	-	-	841.17	
Transfer on account of exercise of Stock Options	-	(298.37)	298.37	-	-	-	
Premium on exercise of Stock options	-	-	12.25	-	-	12.25	
On account of Conversion of Option 1 CCPS into Equity Shares (Refer Note 18)	(22.80)	-	-	-	-	(22.80)	
Transferred from share option outstanding account to retained earnings	309.44	(309.44)	-	-	-	-	
Repurchase of Equity Interest (Refer Note 43)	(726.97)	(231.50)	-	-	-	(958.47)	
Total transactions with owners	(440.33)	1.86	310.62	-	-	(127.85)	
Balance at 31 March 2022	4,812.78	958.45	28,826.95	6.59	33.39	34,638.16	

March 31, 2023

March 31, 2023		Attributable to the owners of the Company					
Particulars	Reserves & Surplus					Total	
	Retained earnings	Share options outstanding account	Securities premium	Capital redemption reserve	Remeasurement of the net defined benefit Plans	Total attributable to owners of the Company	
Balance as at 1 April 2022	4,812.78	958.45	28,826.95	6.59	33.39	34,638.16	
Profit for the year	(1,563.93)	-	-	-	-	(1,563.93)	
Other comprehensive income (net of tax)	-	-	-	-	12.62	12.62	
Total comprehensive income for the year	(1,563.93)	-	-	-	12.62	(1,551.31)	
Transactions with owners, recorded directly in equity							
Share-based payment Expense	-	3,422.12	-	-	-	3,422.12	
Transfer on account of exercise of Stock Options	-	(4.79)	4.79	-	-	-	
Premium on exercise of Stock options	-	-	0.47	-	-	0.47	
Total transactions with owners	-	3,417.33	5.26	-	-	3,422.59	
Balance at 31 March 2023	3,248.85	4,375.78	28,832.21	6.59	46.01	36,509.44	

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N00013

For and on behalf of the Board of Directors
Brainbees Solutions Private Limited
CIN : U51100PN2010PTC136340

Shashi Tadwalkar

Shashi Tadwalkar
Partner
Membership Number - 101797
Place : Pune
Date :
UDIN : 23101797BGXFFA7808



Supam Maheshwari

Supam Maheshwari
Managing Director
DIN : 01730685
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Gautam Sharma
Chief Financial Officer
Place : Pune
Date :

Neelam Jethani

Neelam Jethani
Company Secretary
Place : Pune
Date :

Brainbees Solutions Private Limited
Notes forming part of these financial statements
(All amounts in Rupees millions, unless otherwise stated)

1 Reporting entity

Brainbees Solutions Private Limited (the 'Company') is a company domiciled in India, with its registered office situated in Pune. The Company is engaged in the business of buying, selling, advertising, promoting baby and kids products and Fast Moving Consumer Goods ('FMCG') goods on a wholesale basis through various business partners. The Company also runs pre-school business for kids through various franchisee partners in India.

2 Basis of preparation for financial statements

A. Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on September 25, 2023.
Details of the Company's accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest millions, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Equity-settled share-based payment arrangements	Fair value

D. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are included in the following notes:

- Note 3(e)(ii) Impairment of goodwill and brand value: key assumptions being discount rate and terminal growth rate.
- Note 10 Recognition of DTA, availability of future taxable profit against which tax losses carried forward can be used.
- Note 39 measurement of defined benefit obligations: key actuarial assumptions;
- Note 43 Fair Value of ESOPs.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation where performed, is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Provision for expected credit losses of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Determining the lease term of contracts – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Revenue from contracts with customers

- *Determining method to estimate variable consideration and assessing the constraint*

Certain contracts for the sale of products include a right of return and volume rebates that give rise to variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of products with rights of return, given the large number of customer contracts that have similar characteristics. In estimating the variable consideration for the sale of equipment with volume rebates, the Company determined that using a combination of the most likely amount method and expected value method is appropriate. The selected method that better predicts the amount of variable consideration was primarily driven by the number of volume thresholds contained in the contract. The most likely amount method is used for those contracts with a single volume threshold, while the expected value method is used for contracts with more than one volume threshold.



2 Basis of preparation for financial statements (continued)

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

The Company has an established control framework with respect to the measurement of fair values wherein the overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values is supervised by the chief financial officer.

This includes reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified is assessed.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 43 - Share based payment arrangements
- Note 44 - Fair value measurements
- Note 45 - Financial Instruments

F. Current / non-current classification

The Company presents assets and liabilities in the Balance Sheet based on the current and non-current classification.

Assets

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

- (a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Deferred tax asset and liability are classified as Non-current assets and liabilities.

Operating cycle

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

3 Significant accounting policies

a. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt instruments (such as security deposits) issued 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 plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair Value through Other Comprehensive Income (FVOCI) - debt investment;
- Fair Value through Other Comprehensive Income (FVOCI) - equity investment; or
- Fair Value through profit and loss (FVTPL)



3 Significant accounting policies (continued)

a. Financial instruments (continued)

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.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 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. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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 FVOCI - equity investment). This election is made on an instrument-by-instrument basis.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, at FVTPL including any interest or dividend income, are recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities

Classification, subsequent measurement and gains and losses

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 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 profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

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

b. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost, net of accumulated impairment losses, if any.



Brainbees Solutions Private Limited
Notes forming part of these financial statements
 (All amounts in Rupees millions, unless otherwise stated)

3 Significant accounting policies (continued)

b. Property, plant and equipment (continued)

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Cost of replacing part of the PPE, borrowing costs where recognition criteria is met, cost of major inspection and estimated costs of dismantling and removing the item and restoring the site on which it is located is recognised in the carrying amount of PPE. All other repairs and maintenance are recognised in statement of Profit & Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on costs of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss.

The useful lives of items of property, plant and equipment for the current and comparative periods estimated by management are also in line with those specified in Schedule II to the Companies Act, 2013 and are as follows:

Asset	Useful life (years)
Computers	3
Network and Servers (disclosed within Computers)	6
Office equipment	5
Furniture and fixtures	10
Furniture and fixtures - Bin Boxes	2
Leasehold improvements	5 (over the period of the lease)
Plant and machinery	15

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

c. Intangible assets

i. Brands

Brands acquired on business combination is initially recognised at fair value. Subsequent to initial recognition the Brands are assessed between those having indefinite useful lives and those having definite useful lives. Brands with indefinite useful lives are recognised at their carrying value less impairment losses. Brands with definite useful lives, are amortised over their estimated useful lives. Amortization method and amortization period is reviewed by the management and changes in the estimated useful life are made if the same are expected to be used for shorter period than the initial estimated period.

ii. Customer contracts

Customer contracts / relationships acquired on business combination is initially recognised at fair value. Subsequent to initial recognition the intangible asset's amortization method and amortization period is reviewed by the management and changes in the estimated useful life are made if the same are expected to be used for shorter period than the initial estimated period.

iii. Content writing

Intangible assets for content writing are initially recognised at cost of acquisition. Subsequent measurement is at cost less accumulated amortisation and impairment loss, if any.

iv. Other intangible assets

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

v. Internally generated intangible Asset

Research costs are charged to the statement of Profit and Loss in the year in which they are incurred. Platform development costs incurred are recognised as intangible assets, when feasibility has been established, the Company has committed technical, financial and other resources to complete the development and it is probable that asset will generate future economic benefits. The costs capitalised includes the salary cost of employees exclusively working on platform development upto the date the asset is available for use. Platform costs is amortised on a straight line basis over a period of 4 years.

Platform development is measured at cost less accumulated amortisation and accumulated impairment, if any

vi. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.



3 Significant accounting policies (continued)

c. Intangible assets (continued)

v. Amortisation

Goodwill and brand with indefinite useful lives are not amortised and are tested for impairment annually. Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method for contract value and written down value method for other intangible assets is included in amortisation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Useful life (years)
Computer software	1-5
Contract value	7.6
Content Writing	4
Dubai Platform	4
Brand - School	3.5

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

d. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average method, and includes expenditure incurred in acquiring the inventories, and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses and discounts.

The comparison of cost and net realisable value is made on an item-by-item basis.

e. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost. The Company measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and brand value are tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation or amortisation, if no impairment loss had been recognised.

f. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.



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3 Significant accounting policies (continued)

f. Employee benefits (continued)

iv. Defined benefit plans

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

v. Other long term employee benefit

The Company's liability in respect of other long-term employee benefits (compensated absences) is the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the Projected Unit Credit method. Remeasurement gains or losses are recognised in profit or loss in the period in which they arise.

g. Provisions (other than for employee benefits), Contingent liabilities and contingent assets

i. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

ii. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount can not be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefit will arise, the asset and related income are recognized in the period in which the change occurs. A contingent asset is disclosed, where an inflow of economic benefits is probable.

h. Revenue

Revenue from contracts with customers is recognised upon transfer of control of promised goods/ services to customers at an amount that reflects the consideration to which the Company expect to be entitled for those goods/ services.

To recognize revenues, the Company applies the following five-step approach:

- Identify the contract with a customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract; and
- Recognise revenues when a performance obligation is satisfied.

i. Revenue from sale of products

Revenue is measured at the fair value of the consideration received or receivable net of returns and allowances, trade discounts and rebates, taking into account contractually defined terms of payment excluding taxes or duties collected on behalf of the government.

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

The Company generally works on cash and carry model.

ii. Loyalty points programmes

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

iii. Internet display charges

Income from internet display charges is recognised on an accrual basis to the extent that it is probable that the economic benefits will flow to the Company and the revenue from such services can be reliably measured. The performance obligation is satisfied over a time and payment is generally due within 30 to 60 days from satisfaction of performance obligation.



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3 Significant accounting policies (continued)

h. Revenue (continued)

iv. Service income

Service income arising from Brand & Platform (Website) License usage is recognised on an accrual basis and in accordance with the agreement. The performance obligation is satisfied over a time and payment is generally due within 45 days from satisfaction of performance obligation.

v. Preschool revenue

Revenue from royalty and sales of student kit to franchisee schools is recognised on accrual basis during the academic year.

vi. Contract balances

The Policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

a. Contract assets and trade receivables

The Company classifies its right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset where the right to consideration is unconditional upon passage of time. Unbilled revenue which is conditional is classified as other current asset. Trade receivables and unbilled revenue is presented net of impairment. Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

b. Contract liabilities

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

i. Other Income

i. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

ii. Rental Income

Rental income from sub-leasing activities is recognised on an accrual basis based on the underlying sub-lease arrangements.

j. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.



3 Significant accounting policies (continued)

k. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

l. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange difference are recognised in profit and loss.

m. Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

n. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option, and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option in assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. As per Ind AS 116, lease commencement date is the date on which a lessor makes an underlying asset available for use by a lessee. The Company generally has two types of leases, one being leases for company owned physical stores and other being the leases for warehouses of the Company. In case of leases for company owned physical stores, the company recognizes right of use asset on the lease commencement date. However, in case of leases for warehouses, lessor provides a rent-free period to facilitate fitting out and essential modifications to the assets to make it available for use by the Company. The assets cannot be used until the modifications are completed, hence the Company recognizes right-of-use asset for warehouse leases on completion of the initial rent free period i.e., the date on which asset is available for use.

The cost of the right of use asset measured at inception shall comprise of the amount of the initial measurement of lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets subsequently measured at cost less any accumulated amortisation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right of use asset is depreciated in the straight line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use assets are tested for impairment where there any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the standalone statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Short-term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset is classified as an operating lease. Assets subject to operating leases are included in the property, plant and equipment. Rental income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

COVID 19 - Related Rent Concessions

The amendments to Ind AS 116 provide a practical expedient to lessees in accounting for rent concessions that are a direct consequence of the COVID 19 pandemic.

Many lessors have provided rent concessions to lessees as a result of the COVID 19 pandemic. Rent concessions can include rent holidays or rent reductions for a period of time. Applying the requirements in Ind AS 116 for changes to lease payments, particularly assessing whether the rent concessions are lease modifications and applying the required accounting, could be practically difficult in the current environment. The objective of the amendment is to provide lessees that have been granted COVID 19 related rent concessions with practical relief, while still providing useful information about leases to users of the financial statements.

- (i) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- (ii) Any reduction in lease payments affects only payments originally due on or before June 30, 2021.
- (iii) There is no substantive change to other terms and conditions of the lease.

Pursuant to the above amendment, the Group has applied the practical expedient with effect from April 01, 2020. The Group has accounted the unconditional rent concessions in "Miscellaneous Income" in the Statement of Profit and Loss.



3 Significant accounting policies (continued)

o. Earning per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders of the Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity and compulsorily convertible preference shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company are identified as Chief operating decision maker. Refer note 31 for segment information.

q. Business combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Company elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

r. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its standalone financial statements.



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(All amounts in Rupees millions, unless otherwise stated)

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind As 109 - Financial Instruments

The Ministry of Corporate Affairs (“MCA”) vide notification dated 23 March 2022, has issued an amendment to Ind AS 109 which clarifies the fees an entity should include when it applies the ‘10%’ test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The Company is evaluating the requirement of the said amendment and its impact on these standalone financial statements.

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Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

4 Property, plant and equipment and capital work-in-progress

Particulars	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer	Total (A)	Capital work in progress (B)	Total (A+B)
Gross Block								
Balance as at 1 April 2021	149.60	29.04	560.87	80.33	138.27	958.10	62.21	1,020.32
Additions for the year	249.93	59.22	547.93	55.43	62.50	975.01	788.50	1,763.51
Capitalised / transfer during the year	-	-	-	-	-	-	(646.13)	(646.13)
Balance as at 31 March 2022	399.53	88.26	1,108.80	135.76	200.77	1,933.11	204.57	2,137.69
Balance as at 1 April 2022	399.53	88.26	1,108.80	135.76	200.77	1,933.11	204.57	2,137.70
Additions for the year	134.72	88.17	797.42	121.61	36.12	1,178.04	556.13	1,734.17
Disposals during the year	-	-	-	-	(3.07)	(3.07)	-	(3.07)
Capitalised / transfer during the year	-	-	-	-	-	-	(626.06)	(626.06)
Balance as at 31 March 2023	534.25	176.43	1,906.22	257.37	233.81	3,108.08	134.64	3,242.73
Accumulated Depreciation								
Balance as at 1 April 2021	59.65	10.24	206.68	48.77	97.88	423.21	-	423.21
Depreciation for the year	80.24	13.48	163.80	26.41	43.18	327.10	-	327.10
Balance as at 31 March 2022	139.89	23.72	370.48	75.18	141.06	750.32	-	750.32
Balance as at 1 April 2022	139.89	23.72	370.48	75.18	141.06	750.32	-	750.32
Depreciation for the year	140.10	40.95	310.67	50.33	47.43	589.50	-	589.50
Disposals during the year	-	-	-	-	(0.94)	(0.94)	-	(0.94)
Balance as at 31 March 2023	279.99	64.67	681.15	125.51	187.55	1,338.87	-	1,338.87
Carrying amounts (net)								
Balance as at 31 March 2022	259.64	64.54	738.32	60.58	59.71	1,182.79	204.57	1,387.37
Balance as at 31 March 2023	254.26	111.76	1,225.07	131.86	46.27	1,769.21	134.64	1,903.85

Note:

The Company has opted cost model for all the Property, plant and equipments and none of the Property, plant and equipments are revalued.

4(a) Ageing schedule of Capital-work-in progress

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March 2023					
CWIP					
Projects in progress	134.64	-	-	-	134.64
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2022					
CWIP					
Projects in progress	204.57	-	-	-	204.57
Projects temporarily suspended	-	-	-	-	-

Note: There are no capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan.



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

5 Right-of-use assets

The changes in the carrying value of ROU assets for the year ended March 31, 2023, and year ended March 31, 2022 are as follows:

Particulars	Buildings	Total
Balance as on April 1, 2021	1,367.57	1,367.57
Additions during the year	1,830.68	1,830.68
Amortisation for the year	(503.02)	(503.02)
Balance as on March 31, 2022	2,695.23	2,695.24
Balance as on April 1, 2022	2,695.23	2,695.24
Additions during the year	2,300.05	2,300.05
Deletions during the year	(122.37)	(122.37)
Amortisation for the year	(669.69)	(669.69)
Balance as on March 31, 2023	4,203.22	4,203.23

The aggregate amortisation expense on ROU assets is included under amortisation and amortisation expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 is as follows:

Particulars	As At March 31, 2023	As At March 31, 2022
Current lease liabilities	463.94	430.86
Non-current lease liabilities	4,050.86	2,423.78
Total lease liabilities	4,514.80	2,854.64

The movement in lease liabilities during the period/year ended March 31, 2023 and March 31, 2022 is as follows:

Particulars	As At March 31, 2023	As At March 31, 2022
Opening Balance	2,854.63	1,423.02
Additions during the year	2,185.19	1,726.95
Interest Cost accrued during the year	398.83	231.18
Rent Concessions during the year (Refer Note 3n)	(19.69)	(7.36)
Deletions during the year	(150.56)	-
Payments made during the year	(753.60)	(519.16)
Closing Balance	4,514.80	2,854.63

Amounts recognised in the Statement of profit and loss

Particulars	As At March 31, 2023	As At March 31, 2022
Amortisation expense on right-of-use assets (Refer Note 32)	669.69	503.02
Interest expense on lease liabilities (Refer Note 31)	398.83	231.18
Expenses related to short-term leases or low value leases (included in other expenses)	56.71	28.58
Rent Concessions during the year (Refer Note 3n)	(19.69)	(7.36)
Gain on termination of lease contract (included in other income) (Refer Note 26)	(28.19)	-

Amounts recognised in the Statement of cashflows

Particulars	As At March 31, 2023	As At March 31, 2022
Cash outflow for leases	(753.60)	(519.17)

Notes:

When measuring lease liabilities for operating leases, the Company discounted lease payments using its incremental borrowing rate at the date of inception of the leases. The weighted average pre tax rate applied is 10% p.a. for all the years. For maturity analysis of lease liabilities, refer note 45(iii).

6 Goodwill

Particulars	Amount
Gross Block	
Balance as at 1 April 2021	3,032.47
Additions for the year	-
Balance as at 31 March 2022	3,032.47
Balance as at 1 April 2022	3,032.47
Additions for the year	-
Balance as at 31 March 2023	3,032.47

Impairment assessment for Goodwill and Assets with Indefinite Life

Goodwill is tested for impairment on an annual basis. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's Cash Generating Unit (CGU) or groups of CGUs expected to benefit from the synergies arising from the business combinations. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Goodwill acquired through business combinations with indefinite lives has been allocated single CGU of the Company.

Impairment occurs when the carrying amount of a CGU, including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of CGU is higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of the future cash flows expected to be derived from the CGU. The recoverable amount of goodwill is based on value-in-use. The carrying amount was computed by allocating the net assets to the CGU for the purpose of impairment testing.

Value-in-use is calculated using after tax assumptions. The use of after tax assumptions does not result in a value-in-use that is materially different from the value-in-use that would result if the calculation was performed using before tax assumptions.

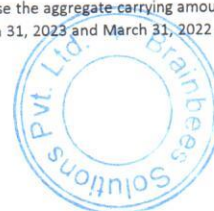
The average range of key assumptions used for calculation of value in use are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	11%	10.00-22.00%
Terminal growth rate	5%	5.00-5.50%

The discount rate is a pre-tax measure based on the rate of 10 year government bonds issued by government in the relevant market and in the same currency as the cash flows, adjusted for risk premium to reflect both the increased risk of investing in equities generally and the systemic risk of specified CGU.

The cash flow projection include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimate at which company's free cash flow are expected to grow perpetually beyond the explicit period, consistent with the assumptions that a market participant would make.

The Company believes that any reasonably possible change in the key assumptions on which a recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the cash - generating unit. Based on the above, no impairment was identified as of March 31, 2023 and March 31, 2022 as the recoverable value of the CGUs exceeded the carrying value.



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

7 Intangible assets

Particulars	Computer software	Brands & Trademarks	Contract value	Content Writing	Platform	Total	Intangible Asset under Development	Total
Gross Block								
Balance as at 1 April 2021	28.56	373.64	197.67	56.92	8.08	664.87	3.94	668.81
Additions for the year	12.23	3.07	-	15.46	-	30.75	0.38	31.14
Transfers during the year	-	-	-	-	-	-	(3.07)	(3.07)
Balance as at 31 March 2022	40.79	376.71	197.67	72.38	8.08	695.63	1.25	696.88
Balance as at 1 April 2022	40.79	376.71	197.67	72.38	8.08	695.63	1.25	696.88
Additions for the year	14.82	1.04	-	10.34	-	26.19	0.45	26.64
Transfers during the year	-	-	-	-	-	-	(1.04)	(1.04)
Balance as at 31 March 2023	55.60	377.74	197.67	82.72	8.08	721.82	0.67	722.49
Accumulated amortisation								
Balance at 1 April 2021	22.35	17.61	184.94	24.24	3.34	252.48	-	252.48
Amortisation for the year	10.69	5.79	4.24	15.34	2.02	38.08	-	38.08
Balance as at 31 March 2022	33.04	23.40	189.17	39.57	5.36	290.56	-	290.56
Balance at 1 April 2022	33.04	23.40	189.17	39.57	5.36	290.56	-	290.56
Amortisation for the year	9.08	4.35	4.24	13.44	2.02	33.12	-	33.12
Balance as at 31 March 2023	42.12	27.75	193.41	53.02	7.38	323.68	-	323.68
Carrying amounts (net)								
Balance as at 31 March 2022	7.74	353.31	8.50	32.81	2.72	405.07	1.25	406.32
Balance as at 31 March 2023	13.48	350.00	4.26	29.71	0.70	398.14	0.67	398.81

Ageing Schedule of Intangible assets under development

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.45	0.22	-	-	0.67
Projects temporarily suspended	-	-	-	-	-
As at 31 March 2022					
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.15	1.10	-	-	1.25
Projects temporarily suspended	-	-	-	-	-

Note: There are no Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees millions, unless otherwise stated)

8 Non-current investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in equity instruments		
Unquoted - Carried at cost		
Investment in equity instruments of subsidiaries (fully paid up)*		
Firstcry Management DWC LLC: 21,50,00,000 (March 31, 2022: 12,20,00,000) equity shares of face value of AED 1 per share	4,549.89	2,479.63
Shenzhen Starbees Services Ltd: Registered Capital Contribution of USD 2,00,000 (March 31, 2022: USD 2,00,000)	14.21	14.21
Intellibeas Solutions Private Limited: 9,999 (March 31, 2022: 9,999) equity shares of face value of Rs. 10 per share	0.10	0.10
Joybees Private Limited: 9,999 (March 31, 2022: 9,999) equity shares of face value of Rs. 10 per share	0.10	0.10
Swara Baby Products Private Limited: 6,14,130 (March 31, 2022: 6,14,130) equity shares of face value of Rs. 10 per share	32.50	32.50
Firmroots Private Limited: 22,752 (March 31, 2022: 8,002) equity shares of face value of Rs. 10 per share	33.19	27.27
Solis Hygiene Private Limited: 52,890 (March 31, 2022: 52,890) Series A equity shares of face value of Rs. 10 per share	373.35	373.35
Globalbees Brands Private Limited 75,259 (March 31, 2022: 75,259) Equity shares of Rs. 5 each and 7,906 (March 31, 2022: 7,906) Series C Equity Shares of Rs. 5 each **	6,202.22	6,202.22
Digital Age Retail Private Limited 10,49,979 (March 31, 2022: Nil) Equity shares of Rs. 10 each***	2,539.84	-
Investment in preference shares		
Unquoted - Carried at cost		
Investment in preference shares of subsidiaries (fully paid up)		
Swara Baby Products Private Limited: 1,28,48,221 (March 31, 2022: 1,28,48,221) Series A Compulsorily Convertible Preference Shares of face value of Rs. 10 per share	873.68	873.68
Firmroots Private Limited: 715 (March 31, 2022: 715) Seed C Compulsorily Convertible Preference Shares of face value of Rs. 10 per share and 1,00,00,000 (March 31, 2022: 1,00,00,000) Series A Compulsorily Convertible Preference Shares of face value of Rs. 10 per share	105.42	105.42
Investment in trusts - Carried at cost		
Edubees Educational Trust Corpus fund contribution	0.01	0.01
Total	14,724.51	10,108.49
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	14,724.51	10,108.49
Aggregate amount of impairment in value of investments	-	-

* Investments in subsidiaries also includes cost of ESOP contribution for options granted to employees of subsidiaries and its step down subsidiaries as per Company's ESOP plan.

** The Company entered into a Share subscription Agreement dated June 03, 2021 to acquire controlling stake in Globalbees Brands Private Limited("the Acquiree Company"), through acquisition of Equity Shares for consideration amounting to Rs. 2,190.01 millions. The Company has subsequently invested Rs. 4,012.20 millions on December 30, 2021.

*** The Company entered into a Share subscription & Purchase Agreement dated May 02, 2022 to acquire controlling stake in Digital Age Retail Private Limited("the Acquiree Company"), through acquisition of Equity Shares for consideration amounting to Rs. 2406.25 millions.

9 (a) Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposits	273.46	278.36
Bank deposits (maturity more than 12 months)	180.82	0.78
Interest accrued on fixed deposits	1.81	-
Total	456.09	279.14

9 (b) Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Interest accrued on fixed deposits	164.36	169.00
Custom duty receivable	2.78	2.78
Other Receivables	47.46	23.89
Total	214.60	195.66

10 Deferred tax assets (Net)

The break-up of deferred tax liability and deferred tax assets is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
Property, plant and equipment and Intangibles	501.27	559.27
Employees' benefits	42.72	36.59
On Right of Use Assets and Lease Liabilities	120.22	69.39
Carry forward losses	684.85	442.95
Total	1,349.06	1,108.20

11 Income Tax Assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Income Tax Assets (net)	167.54	102.36
Total	167.54	102.36



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees millions, unless otherwise stated)

12 (a) Other non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	26.88	31.61
Capital Advances	-	-
Balance with Government authorities	-	7.67
VAT receivable	546.77	304.91
GST receivable	10.98	2.53
Amount paid under protest	-	-
Total	584.63	346.72

12 (b) Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	8.17	7.06
Advance to employees	18.29	54.83
Prepaid expenses	-	-
Balance with Government authorities	73.08	422.19
GST receivable	212.11	1,136.77
Advance to suppliers	138.44	311.76
Receivables from vendors	-	-
Total	450.09	1,932.61

13 Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Traded goods*	4,321.43	7,696.70
Total	4,321.43	7,696.70

Above Inventories includes Goods-in-Transit Amounting to Rs. 194.34 million (March 31, 2022: Rs. 241.54 million)

14 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	-	-
Considered good – Secured	-	-
Considered good – Unsecured	519.40	1,200.72
Considered good – receivable from related parties (Refer Note 40)	4,156.52	245.78
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	-	-
Total	4,675.92	1,446.50

Trade receivables ageing schedule as at 31 March 2023

Particulars	Unbilled Revenue	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	79.14	3,451.64	1,092.24	41.66	6.67	4.57	-	4,675.92
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

Trade receivables ageing schedule as at 31 March 2022

Particulars	Unbilled Revenue	Not Due	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade receivables – considered good	135.19	915.20	384.80	3.19	4.31	1.04	2.77	1,446.50
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

15 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash in hand	0.33	0.49
Balances with banks	-	-
In current accounts	337.55	466.64
In deposit accounts having original maturity less than 3 months	780.00	1,500.00
Total	1,117.88	1,967.13



(All amounts in Rupees millions, unless otherwise stated)

16 Bank balances other than Cash and Cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits with remaining maturity of less than twelve months	6,845.08	10,463.14
Total	6,845.08	10,463.14

17 Loans

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loan to Subsidiary (Refer Note 40)	451.81	51.81
Loan to KMP and directors (Refer Note 40)	76.68	-
Loan to employees	245.89	36.23
Total	774.38	88.04

18 Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
Authorised				
Equity shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	45,24,55,000	904.91	10,77,40,000	538.70
Series A equity shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	-	-	42,000	0.21
Series E Equity Shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	-	-	7,32,00,000	366.00
Issued, subscribed and fully paid up equity shares				
Equity shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	43,32,65,195	866.52	9,99,71,547	499.85
Series A equity shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	-	-	40,232	0.20
Series E equity Shares of Rs. 2 each (March 31, 2022: Rs. 5 each)	-	-	7,31,66,655	365.83
	43,32,65,195	866.52	17,31,78,434	865.88

Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
A. Equity Shares				
At the commencement of the year	9,99,71,547	499.85	6,96,88,930	348.44
Shares issued during the period on account of Rights Issue	-	-	1,47,12,227	73.56
Shares issued during the period on account of Exercise of Stock Options	1,27,644	0.64	6,35,220	3.18
Increase in Shares on account of Conversion of Option 1 CCPS	-	-	45,72,916	22.86
Shares Issued to Brainbees ESOP Trust	-	-	1,03,62,254	51.81
Increase in shares on account of sub-division***	15,01,48,787	-	-	-
Reclassified from Series A Equity Shares and Series E Equity Shares	18,30,17,218	366.03	-	-
At the end of the year	43,32,65,195	866.52	9,99,71,547	499.85
B. Series A Equity Shares				
At the commencement of the year	40,232	0.20	40,232	0.20
Increase in shares on account of sub-division***	60,348	-	-	-
Reclassified as Equity Shares	(1,00,580)	(0.20)	-	-
At the end of the year	-	-	40,232	0.20
C. Series E Equity Shares*				
At the commencement of the year	7,31,66,655	365.83	7,31,66,655	365.83
Increase in shares on account of sub-division***	10,97,49,983	-	-	-
Reclassified as Equity Shares	(18,29,16,638)	(365.83)	-	-
At the end of the year	-	-	7,31,66,655	365.83

* During the year ended March 31, 2022, the Company had issued 14,712,227 equity shares of face value of Rs. 5/- each on right basis ('Rights Equity Shares') to the Eligible Equity Shareholders at an issue price of Rs. 5 per Rights Equity Share.

** During the year ended March 31, 2022, the shareholders of Option 1 Compulsorily Convertible Preference Shares availed the option to convert 12,034 Option 1 CCPS into Equity shares as per conditions given in the letter of offer. Consequently, the Company issued 4,572,916 Equity shares to the shareholders of Option 1 CCPS on account of conversion of Option 1 CCPS.

*** The Shareholders of the Company, at the extra-ordinary general meeting held on April 25, 2022 have approved the subdivision of its existing authorised, issued, subscribed and paid-up share capital of face value of Rs. 5 each to face value of Rs. 2 each with effect from April 25, 2022.

Investor shares shall include the following:

- 1 Series A Equity shares
2 Equity shares issued under the Business Transfer Agreement
3 Equity shares held by investors
4 Series E Equity Shares

Rights, preferences and restrictions attached to Equity Shares, Series A Equity Shares and Series E Equity Shares

Equity Shares and Series A Equity Shares

The Company has equity shares having a face value of Rs. 2 per share. Each holder of equity share is entitled to one vote per share. The Company shall not declare dividend in respect of the Equity Shares or any other class of shares in excess of the dividend permissible to be paid to the non-resident holders of the Investor Shares.

Series E Equity Shares

Series E Equity Shares

The Company has issued Series E equity shares during the year ended March 31, 2019, having a face value of Rs. 2 per share. Each Series E Equity Share shall have one vote and carry voting rights on the basis of, and to the extent of, the amounts paid-up on each Series E Equity Share. The holders of the Series E Equity Shares shall be entitled to participate in the distribution of the profits of the Company prior to the other Security Holders but simultaneously with the holders of Series A CCPS, Series B CCPS, Series C CCPS, Series C1 CCPS, Series C2 CCPS, Series D1 CCPS, Series D2 CCPS, in proportion to their holding of Series E Equity Shares. The holders of the Series E Equity Shares shall be entitled to receive any non-cash dividend by way of deemed bonus declared by the Board.



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

18 Equity share capital (continued)

Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	% of total shares in class	Nos	% of total shares in class
Equity shares				
SVF Frog (Cayman) Limited	13,83,08,813	32%	-	-
Mahindra Retail Limited*	4,11,16,885	9%	1,64,46,754	16%
Mr. Supam Maheshwari	3,82,36,597	9%	1,52,94,639	15%
Brainbees ESOP Trust	2,59,05,635	6%	1,03,62,254	10%
PI Opportunities Fund – 1	2,13,49,265	5%	84,99,474	9%
TPG Growth V SF Markets Pte Ltd.	1,97,52,718	5%	79,01,087	8%
NewQuest Asia Investments III Limited	1,85,76,620	4%	74,30,648	7%
Apricot Investments Limited	1,68,21,867	4%	67,28,747	7%
Brainbees Employees Welfare Trust	1,31,36,590	3%	52,54,636	5%
PI Opportunities Fund – 1 Scheme II	2,64,57,268	6%	-	-
NextGen Management Services	2,24,82,090	5%	-	-
Series A equity shares				
PI Opportunities Fund – 1	-**	-**	40,232	100%
Series E Equity Shares**				
SVF Frog (Cayman) Limited	-**	-**	6,59,06,432	90%
NextGen Management Services	-**	-**	72,60,223	10%

*Mahindra Retail Limited (formerly Mahindra Retail Private Limited) has amalgamated with Mahindra & Mahindra Limited pursuant to an order dated April 29, 2022 passed by National Company Law Tribunal ('NCLT')

** Series A Equity Shares and Series E Equity Shares are classified as Equity Shares, hence there are no shareholders holding these Categories of shares.

For the year ended March 31, 2022, the number of shares held by shareholders holding more than 5% of class of shares are basis face value of Rs. 5 each.

Particulars of Shareholding of promoters

As of March 31, 2023 and March 31, 2022, the Company does not have an identifiable promoter in terms of the Companies Act, 2013 and accordingly disclosures related to promoter shareholding is not given. The Company is a professionally managed Company.

Equity shares movement during 5 years preceding March 31, 2023

There were no equity shares issued as bonus or without consideration during last 5 years as on March 31, 2023

The Company bought back 1,309,860 equity shares for an aggregate amount of Rs. 307.57 millions at Rs. 234.81 per equity share. The equity shares bought back were extinguished on October 15, 2020

19 Equity Component of Compulsorily Convertible Preference Shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
Authorised				
Series A CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	1,55,000	0.31	62,000	0.31
Series B CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	8,66,165	1.73	3,46,466	1.73
Series C CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	2,18,56,650	43.71	87,42,660	43.71
Series C1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	4,38,100	0.88	1,75,240	0.88
Series C2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	77,900	0.16	31,160	0.16
Series D1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	1,22,17,950	24.44	48,87,180	24.44
Series D2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	1,41,97,750	28.40	56,79,100	28.40
Option 1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	30,500	0.06	12,200	0.06
Option 2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	70,000	0.14	28,000	0.14
Equity Component of Compulsorily Convertible Preference Shares				
Series A CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	72,315	0.14	28,926	0.14
Series B CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	36,755	0.07	14,702	0.07
Series C CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	1,75,00,900	35.00	70,00,360	35.00
Series C1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	4,38,100	0.88	1,75,240	0.88
Series C2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	77,900	0.16	31,160	0.16
Series D1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	1,22,17,950	24.44	48,87,180	24.44
Series D2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	48,39,650	9.68	19,35,860	9.68
Option 1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 2 each (March 31, 2022: Rs. 5 each)	-	-	-	-
	3,51,83,570	70.37	1,40,73,428	70.37

Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

19 Equity Component of Compulsorily Convertible Preference Shares (continued)

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	Amount	Nos	Amount
Equity Component of Compulsorily Convertible Preference Shares				
Series A CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	28,926	0.14	28,926	0.14
Increase in shares on account of sub-division*	43,389	-	-	-
At the end of the year	72,315	0.14	28,926	0.14
Series B CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	14,702	0.07	14,702	0.07
Increase in shares on account of sub-division*	22,053	-	-	-
At the end of the year	36,755	0.07	14,702	0.07
Series C CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	70,00,360	35.00	70,00,360	35.00
Increase in shares on account of sub-division*	1,05,00,540	-	-	-
At the end of the year	1,75,00,900	35.00	70,00,360	35.00
Series C1 CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	1,75,240	0.88	1,75,240	0.88
Increase in shares on account of sub-division*	2,62,860	-	-	-
At the end of the year	4,38,100	0.88	1,75,240	0.88
Series C2 CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	31,160	0.16	31,160	0.16
Increase in shares on account of sub-division*	46,740	-	-	-
At the end of the year	77,900	0.16	31,160	0.16
Series D1 CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	48,87,180	24.44	48,87,180	24.44
Increase in shares on account of sub-division*	73,30,770	-	-	-
At the end of the year	1,22,17,950	24.44	48,87,180	24.44
Series D2 CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	19,35,860	9.68	19,35,860	9.68
Increase in shares on account of sub-division*	29,03,790	-	-	-
At the end of the year	48,39,650	9.68	19,35,860	9.68
Option 1 CCPS (Compulsorily Convertible Preference Shares)				
At the commencement of the year	-	-	12,034	0.06
Decrease on account of conversion of Option 1 CCPS into Equity Shares **	-	-	(12,034)	(0.06)
At the end of the year	-	-	-	-
Total	3,51,83,570	70.37	1,40,73,428	70.37

* The Shareholders of the Company, at the extra-ordinary general meeting held on April 25, 2022 have approved the subdivision of its existing authorised, issued, subscribed and paid-up share capital of face value of Rs. 5 each to face value of Rs. 2 each with effect from April 25, 2022.

** During the year ended March 31, 2022, the shareholders of Option 1 Compulsorily Convertible Preference Shares availed the option to convert 12,034 Option 1 CCPS into Equity shares as per conditions given in the letter of offer. Consequently, the Company issued 4,572,916 Equity shares to the shareholders of Option 1 CCPS on account of conversion of Option 1 CCPS.

Investor shares shall include the following:

- 1 Series A CCPS
- 2 Series B CCPS
- 3 Series C CCPS
- 4 Series C1 CCPS
- 5 Series C2 CCPS
- 6 Series D1 CCPS
- 7 Series D2 CCPS
- 8 Option 1 CCPS

Rights, preferences and restrictions attached to Series A, Series B, Series C, Series C1, Series C2, Series D1 & D2 Compulsorily Convertible Preference Shares and Option 1 Compulsorily Convertible Preference Shares

Series A and Series B CCPS

The Company has issued Series A and Series B CCPS (Compulsorily Convertible Preference Shares) having a face value of Rs. 2 per share. Each shareholder of Series A CCPS and Series B CCPS shall be entitled to vote on Series A CCPS and Series B CCPS respectively held by them (as a single class and on a converted basis and not as a separate class) except as specifically provided. The holders of Series A CCPS shall be entitled to payment of 0.001% cumulative coupon per annum on each Series A CCPS by way of dividends from the Company in accordance with applicable Laws and when the Board declares any dividend. The dividend would be cumulative and would be paid prior to payment of any dividend with respect to Equity Shares and Series A Equity Shares. The holders of the Series A CCPS and Series B CCPS shall have the right to convert all or any portion of the Series A CCPS and Series B CCPS held by them at any time at the then applicable Series A CCPS and Series B CCPS conversion ratio ranging of 1:1 into Equity Shares of the Company, prior to expiry of 19 years from the allotment of shares.



19 Equity Component of Compulsorily Convertible Preference Shares (continued)

Series C, Series C1 and Series C2 CCPS

The Company has issued Series C, Series C1 and Series C2 CCPS (Compulsorily Convertible Preference Shares) having a face value of Rs. 2 per share. Each shareholder of Series C, Series C1 and Series C2 CCPS shall be entitled to vote on Series C, Series C1 and Series C2 CCPS respectively held by them (as a single class and on a converted basis and not as a separate class) except as specifically provided. The holders of Series C, Series C1 and Series C2 CCPS shall be entitled to payment of higher of 0.001% cumulative coupon per annum on the Face value of each of Series C, Series C1 and Series C2 CCPS or the amount receivable by them in the dividend declared based on their shareholding in the Company on an as is converted basis, as and when the Board declares any dividend. The dividends would be cumulative and would be paid prior to payment of any dividend with respect to Equity Shares (save the Series A Equity Shares as set out herein). The holders of the Series C, Series C1 and Series C2 CCPS shall have the right to convert all or any portion of the Series C, Series C1 and Series C2 CCPS held by them at any time at the then applicable Series C, Series C1 and Series C2 CCPS conversion ratio of 1:1 into Equity Shares, prior to expiry of 19 years from the allotment of shares.

Series D1 and Series D2 CCPS

The Company has Series D1 and Series D2 CCPS (Compulsorily Convertible Preference Shares) having a face value of Rs. 2 per share. Each shareholder of Series D1 and Series D2 CCPS shall be entitled to vote on Series D1 and Series D2 CCPS respectively held by them (as a single class and on a converted basis and not as a separate class) except as specifically provided. The holders of Series D1 and Series D2 CCPS shall be entitled to payment of higher of 0.001% cumulative coupon per annum on the Face value of each of Series D1 and Series D2 CCPS or the amount receivable by them in the dividend declared based on their shareholding in the Company on an as is converted basis, as and when the Board declares any dividend. The dividends would be cumulative and would be paid prior to payment of any dividend with respect to Equity Shares (save the Series A Equity Shares as set out herein). The holders of Series D1 and Series D2 CCPS shall have the right to convert all or any portion of the Series D1 and Series D2 CCPS held by them at any time at the then applicable Series D1 and Series D2 CCPS conversion ratio of 1:1 into Equity Shares, prior to expiry of 19 years from the allotment of shares.

Option 1 CCPS

The Company has issued Option 1 CCPS (Compulsorily Convertible Preference Shares) during the year, having a face value of Rs. 2 per share. Each shareholder of Option 1 CCPS shall be entitled to vote on Option 1 CCPS held by them (as a single class and on a converted basis and not as a separate class) except as specifically provided. The holders of Option 1 CCPS shall have no priority with respect to payment of dividend or repayment of capital vis-a-vis equity shares and the same shall be paid/repaid as per Companies Act, 2013. The holders of Option 1 CCPS shall receive dividend on non-cumulative basis. The holders of Option 1 CCPS shall have the right to convert all or any portion of the Option 1 CCPS held by them at any time in ratio of 1:380 into Equity Shares, prior to expiry of 19 years from the allotment of shares.

Particulars of shareholders holding more than 5% shares of a class of shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos	% of total shares in class	Nos	% of total shares in class
Series A CCPS (Compulsorily Convertible Preference Shares) PI Opportunities Fund – 1	72,315	100%	28,926	100%
Series B CCPS (Compulsorily Convertible Preference Shares) PI Opportunities Fund – 1	36,755	100%	14,702	100%
Series C CCPS (Compulsorily Convertible Preference Shares) Valiant Mauritius Partners FDI Limited	1,07,38,987	61%	42,95,595	61%
TPG Growth V SF Markets Pte Ltd.	42,79,925	24%	17,11,970	24%
PI Opportunities Fund – 1	18,16,383	10%	7,26,553	10%
Series C1 CCPS (Compulsorily Convertible Preference Shares) PI Opportunities Fund – 1	4,38,100	100%	1,75,240	100%
Series C2 CCPS (Compulsorily Convertible Preference Shares) Ratan N Tata	77,900	100%	31,160	100%
Series D1 CCPS (Compulsorily Convertible Preference Shares) Mahindra Engineering and Chemical Products Limited*	1,22,17,950	100%	48,87,180	100%
Series D2 CCPS (Compulsorily Convertible Preference Shares) Valiant Mauritius Partners FDI Limited	38,47,105	79%	15,38,842	79%
Pratithi Investment Trust	3,38,200	7%	1,35,280	7%

*Mahindra Engineering and Chemical Products Limited has amalgamated with Mahindra & Mahindra Limited pursuant to an order dated April 29, 2022 passed by National Company Law Tribunal ('NCLT')

Equity shares movement during 5 years preceding March 31, 2023

There were no Compulsorily Convertible Preference Shares issued as bonus or without consideration during last 5 years as on March 31, 2023. Also there were no Compulsorily Convertible Preference Shares which were bought back or extinguished during last 5 year as on March 31, 2023

20 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium	28,832.21	28,826.95
Capital redemption reserve	6.59	6.59
Shares options outstanding account	4,375.78	958.45
Retained earnings	3,294.86	4,846.17
Total	36,509.44	34,638.16

(i) Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	28,826.95	28,516.33
Premium on exercise of Stock options	0.47	12.25
Transfer from shares option outstanding account on account of exercise of Stock Options	4.79	298.37
Closing Balance	28,832.21	28,826.95



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees millions, unless otherwise stated)

20 Other Equity (continued)

(ii) Capital redemption reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	6.59	6.59
Closing balance	6.59	6.59

(iii) Shares options outstanding account

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	958.45	956.59
Share based payment expense*	3,422.12	841.17
Repurchase of Equity Interest (Refer Note 43)	-	(231.50)
Transfer to Securities Premium on account of exercise of Stock Options	(4.79)	(298.37)
Transferred to retained earnings	-	(309.44)
Closing balance	4,375.78	958.45

* Includes cost of options granted to employees of wholly owned subsidiaries, which is included in the investments in Note 8, amounting to Rs. 190.11 millions (31 March 2022: 13.86 millions)

(iv) Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	4,846.17	5,088.22
Net (loss)/ profit for the year	(1,563.93)	187.76
Transferred from share option outstanding account	-	309.44
Repurchase of Equity Interest (Refer Note 43)	-	(726.97)
On account of Conversion of Option 1 CCPS into Equity Shares (Refer Note 18)	-	(22.80)
Remeasurement of post employment benefit obligations	12.62	10.52
Closing balance	3,294.86	4,846.17

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital redemption reserve

The Indian Companies Act, 2013 (the "Companies Act") requires that where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to a capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the company to be issued to shareholders of the company as fully paid bonus shares.

Shares options outstanding account

The Share Options Outstanding account is used to recognise the grant date fair value of options issued to employees under the Brainbees Employee Stock Option Plan 2011, 2019 and 2022 Plan.

Retained earnings

Retained earnings are the profits that the Company has earned till date.

21(a) Other Non-current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	2.73	4.40
Total	2.73	4.40

21(b) Other Current Financial Liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Accrued employee liabilities	63.71	49.33
Payables for property, plant and equipment	295.90	219.77
Deferred Consideration	5.93	-
Other Payable	1.30	1.25
Total	366.84	270.35

22(a) Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for compensated absences	41.54	37.08
Provision for gratuity (Refer Note 39)	91.78	78.30
Total	133.32	115.38



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees millions, unless otherwise stated)

22 (b) Current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for compensated absences	16.19	13.63
Provision for gratuity (Refer Note 39)	20.20	16.37
Total	36.39	30.00

23 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises (Refer Note 38)	37.32	23.65
Total outstanding dues of creditors other than micro and small enterprises	2,275.44	3,830.77
Total	2,312.76	3,854.43

Trade payable ageing schedule as at 31 March 2023

Particulars	Unbilled Dues	Not Due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
MSME		24.50	12.42	0.03	0.38	0.00	37.32
Others	895.18	953.74	388.87	25.21	7.54	4.91	2,275.44
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-

Trade payable ageing schedule as at 31 March 2022

Particulars	Unbilled Dues	Not Due	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	Total
MSME	-	14.08	9.10	0.37	0.06	0.04	23.65
Others	1,532.46	1,471.33	779.04	32.96	4.58	10.40	3,830.77
Disputed dues- MSME	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-

24 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues		
GST / Sales tax Payable	5.56	30.70
TDS payable	15.77	47.96
PF, PT Payable	13.33	10.75
Advance from customers	371.73	463.06
Total	406.39	552.47

25 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of products		
Sale of baby and Kids Products	24,474.84	16,814.73
Total (A)	24,474.84	16,814.73
Other operating revenue		
Internet display charges	596.48	545.78
Other Operating Revenue	347.60	163.35
Total (B)	944.08	709.13
Revenue from operations (A+B)	25,418.92	17,523.86

Reconciliation of revenue from contract with customer

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract Price	27,050.47	19,093.14
Loyalty Points	(0.71)	0.53
Discounts, Rebates, etc.	(1,630.84)	(1,569.81)
Revenue from operations for the year ended	25,418.92	17,523.86

Refer accounting policy 3(h) for satisfaction of performance obligation and when the revenue is recognised.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from customers

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract assets		
Trade Receivables	4,675.92	1,446.50
Contract liabilities		
Advance from customers	371.73	463.06



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)
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25 Revenue from operations (continued)

Movement in contract liabilities during the year:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance as at beginning of the year	463.06	213.35
	(463.06)	(213.35)
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Advance received during the year	371.73	463.06
Balance as at end of the year	371.73	463.06

Refer Note 42 for Segment reporting.

The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

26 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income :		
On fixed deposits with banks	452.32	789.27
On others	45.77	16.20
Lease rentals	327.38	24.85
Miscellaneous income	161.80	68.60
Total	987.27	898.92

27 Purchase of Stock-in-trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchase of Stock-in-trade	14,193.59	14,590.88
Total	14,193.59	14,590.88

28 Changes in inventories of Stock-in-Trade

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock of Stock-in-trade	7,696.70	4,319.89
Closing stock of Stock-in-trade	4,321.43	7,696.70
Total	3,375.27	(3,376.81)

29 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages, bonus and other allowances	1,906.23	1,602.91
Contributions to provident and other funds	72.97	55.14
Staff welfare expenses	33.34	48.40
Total	2,012.54	1,706.45

30 Employee share based payment expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employee share based payment expense (Refer Note 43)	3,232.01	827.30
Total	3,232.01	827.30

31 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on lease liabilities (Refer Note 5)	398.83	231.18
Other borrowing costs	1.66	-
Total	400.49	231.18

32 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	589.50	327.10
Amortisation of right of use assets	669.69	503.02
Amortisation of intangible assets	33.12	38.08
Total	1,292.31	868.20



Brainbees Solutions Private Limited
Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees millions, unless otherwise stated)

33 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Subcontractor expenses	290.50	383.13
Packing expenses	93.45	80.41
Courier expenses	468.07	314.07
Power and fuel	92.30	65.33
Rent	56.71	28.58
Repairs and maintenance	44.13	27.13
Insurance	21.24	15.04
Rates and taxes	9.82	8.29
Travelling and conveyance	135.27	84.39
Legal and professional expenses	80.41	120.81
Advertising and sales promotion expenses	2,030.51	1,867.89
Telephone and internet charges	238.08	199.76
Printing and stationary	5.38	3.70
Payments to auditor (Refer Note (i) below)	3.65	1.90
Corporate Social Responsibility Expenses (Refer Note (ii) below)	1.21	-
Miscellaneous expenses	138.28	37.42
Total	3,709.01	3,237.84

(i) Payments to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor	1.90	1.80
Statutory audit	0.10	0.10
Tax audit	1.65	-
Other Audit Services	-	-
Total	3.65	1.90

(ii) Corporate Social Responsibility Expenditure

The details of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013 is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) Gross amount required to be spent by the Company during the year	10.36	Nil
(B) Amount spent during the year on:		
(i) Construction/ acquisition of any asset	Nil	NA
(ii) For purposes other than (i) above	1.90	NA
a) Paid in cash	1.21	NA
b) Yet to be paid in cash	0.69	NA
(C) Related party transactions in relation to Corporate Social Responsibility	-	NA
(D) Provision movement during the year	-	NA
(E) Amount earmarked for ongoing project (in separate Unspent CSR A/C)	0.69	NA
(F) Shortfall at the end of the year	0.69	NA
(G) Reason for shortfall	Refer Note 1 below	NA
(H) Nature of Corporate Social Responsibility	Education	NA

Note 1: The company has transferred the shortfall amounting to Rs. 0.69 million to the separate unspent CSR Account. The company has an ongoing project and has earmarked the unspent CSR amount towards the said project.

34 Income tax
A Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount recognised during the year		
Tax income/ (expense) recognised in Statement of profit and loss	245.10	(149.98)
Total	245.10	(149.98)

B Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(Loss)/ Profit before tax	(1,809.03)	337.74
Tax using the Company's domestic tax rate @ 25.17%	(455.30)	85.00
Prior year adjustment	208.73	58.26
Disallowance under section 37 of the Income Tax Act, 1961	0.40	6.25
Others	1.06	0.46
Total	(245.10)	149.98



Brainbees Solutions Private Limited

Notes forming part of these Standalone financial statements

(All amounts in Rupees millions, unless otherwise stated)

35 Earnings per share

Basic EPS amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/(loss) attributable to equity holders of the Company 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 profit/(loss) and equity share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(Loss) attributable to equity shareholders (A)	(1,563.93)	187.76
Weighted average number of equity shares for calculation of Basic EPS (B)	18,73,76,009	16,71,43,202
Weighted average number of equity shares outstanding during the year after split of shares into Rs. 2 each (C)	46,84,40,022	41,78,58,005
Basic EPS (A/C)	(3.34)	0.45
Weighted average number of equity shares outstanding	18,73,76,009	16,71,43,202
Weighted average number of potential equity shares*	1,02,81,917	34,58,558
Weighted average number of potential equity shares outstanding during the year after split of shares into Rs. 2 each (D)	2,57,04,793	86,46,395
Weighted average number of equity shares for calculation of Diluted EPS (E = C+D)	49,41,44,815	42,65,04,400
Diluted EPS (A/E)	(3.34)	0.44

* Potential equity shares have not been considered in the calculation of diluted loss per share for the year ended March 31, 2023 since these would decrease the loss per share, hence considered "anti-dilutive".

Note - For the calculation of Basic Earning Per Share and Diluted Earning per Share, the weighted average number of equity shares outstanding during the year and weighted average number of potential equity shares outstanding during the year have been considered after split of shares of face value of Rs. 5 each to Face value of Rs. 2 each

36 Contingent liabilities and commitments

A Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the company not acknowledged as debt		
Income tax matters (see note (i) below)	-	-
Central sales tax and VAT matters (See Note (iii) below)	-	-
Central sales tax liability pending collection of 'C Forms' from registered dealers	-	0.29
Total	-	0.29

Notes

- a) For the assessment year 2015-16, the Company has received tax demand against penalty notice under section 271(1)(c) of the Income Tax Act, 1961 of Rs. 40.92 millions. The Company has filed an appeal before Commissioner of Income Tax against the penalty demand passed by Assessing Officer by paying an amount of Rs. 8.18 millions as protest money.

b) For the assessment year 2016-17, the Assessing Officer has made the addition of Rs. 42.71 millions and had reduced the brought forward losses, however, even after such addition there is no tax liability. The Company has filed appeals against such additions made to Commissioner of Income Tax (Appeals).

c) For the assessment year 2016-17, proceeding under section 201 were initiated on the Company and the assessing officer has issued a tax demand of Rs. 16.35 millions (including interest). The Company has filed appeals against such tax demand to Commissioner of Income Tax (Appeals) by paying an amount of Rs. 2.53 millions as protest money. The Company does not anticipate any financial liability as the similar additions made were in favour of assessee/companies in other jurisdiction.

With reference to the above case (for the assessment year 2016-17), the Company has received a penalty notice under Section 274 w.r.s 271C. The Company has submitted to the Department that since the above case (proceeding under section 201) is filed with CIT (A) and is still ongoing, the proceedings for penalty shall be kept on abeyance until conclusion of the said case.

d) For the assessment year 2016-17, re-assessment proceedings in relation to above same transaction (i.e. point (c) above) was initiated by the Income Tax department under section 148. The Faceless Assessing Officer has passed the order under section 147 read with section 144B of the Income-tax Act, 1961 ('the Act') for AY 2016-17 by disallowing Rs. 96.98 millions i.e. the payment made to Facebook Ireland under section 40(a)(i) of the Act. The Company has filed appeals against such additions made to Commissioner of Income Tax (Appeals).

e) For the assessment year 2017-18, the Assessing Officer has made the addition of Rs. 82.01 millions and had reduced the brought forward losses, however, even after such addition there is no tax liability. The Company has filed appeals against such additions made to Commissioner of Income Tax (Appeals).

f) For the assessment year 2017-18, the Company has received a penalty notice under Section 274 w.r.s 271C. The Company has submitted to the Department that since the above case is filed with CIT (A) and is still ongoing, the proceedings for penalty shall be kept on abeyance until conclusion of the said case.

For FY 2017-18, the Company has received Goods & Services tax demand of Rs. 5.09 millions from Maharashtra State GST authorities. The said demand is inclusive of interest of Rs. 2.45 millions. Against this tax demand, the Company has paid amount of Rs. 0.26 millions as protest money and has filed an appeal to Deputy Commissioner of State Tax.
- The Company has received a demand notice from Custom Commissionerate, Chennai on 7th April 2021 for an amount of Rs. 0.53 millions towards duty for re-classification of Breast Pump under a different HSN code. The Company has responded to the demand notice on 11th May 2021 taking a position of no further tax payable by the Company



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
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37 Capital Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for:

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Commitments	84.03	105.44
Total	84.03	105.44

38 Dues to micro and small enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
a) Principal amount payable to suppliers as at period end	37.32	23.65
b) Interest due thereon as at period end *	-	-
c) Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the period, irrespective of the period to which interest relates	-	-
d) Amount of delayed payments actually made to suppliers during the period	126.07	151.43
e) 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 period) but without adding interest specified under the MSMED Act *	0.98	1.39
f) Interest accrued and remaining unpaid at the end of the period*	0.98	1.39
g) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006 *	5.05	4.07

* Above interest amounts have not been provided in the books
The Company has compiled this information based on intimations received from the suppliers of their status as Micro or Small Enterprises and/ or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006

39 Assets and liabilities relating to employee benefits

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity	111.98	94.67
Non-current	91.78	78.30
Current	20.20	16.37

For details about the related employee benefit expenses, see Note 29.

a) Defined contribution plans

The Company has a defined contribution plan in form of provident fund, ESIC and others. Contributions are made to the fund for employees at the rates specified by regulations. For provident fund, contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is Rs.72.97 millions (March 31, 2022 Rs. 55.14 millions).

b) Defined benefit plans

The Company operates the following post-employment defined benefit plans.

The Company has a defined benefit gratuity plan in India, governed by the Payment of Gratuity Act, 1972. Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee concerned.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

Company's defined benefit plan is unfunded.

B. Reconciliation of the net defined benefit liability

a) Reconciliation of present value of defined benefit obligation

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	94.67	78.20
Benefits paid	(2.58)	(3.19)
Current service cost	36.30	29.42
Interest cost	5.54	4.29
Transfer in #	-	-
Past service cost	(5.08)	-
Transfer in / Out	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-
- changes in demographic assumptions	(5.51)	(11.08)
- changes in financial assumptions	(11.36)	(2.97)
- experience adjustments	-	-
Balance at the end of the year	111.98	94.67

- 24 employees have been transferred in from group companies



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
 (All amounts in Rupees millions, unless otherwise stated)

39 Assets and liabilities relating to employee benefits (continued)

b) Amounts to be recognised in Balance Sheet

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of obligation at the end of year	111.98	94.67
Fair value of the plan assets at the end of year	-	-
Surplus / (Deficit)	(111.98)	(94.67)
Current liability	(20.20)	(16.37)
Non-current liability	(91.78)	(78.30)
Amount not recognised due to asset ceiling	-	-
Net asset / (liability) recognised in Balance Sheet	(111.98)	(94.67)

c) Expenses to be recognised in the Statement of Profit and Loss

Particulars	As at March 31, 2023	As at March 31, 2022
Service cost	36.30	29.42
Net interest (income)/ expense	5.54	4.29
Transfer out	(5.08)	-
Expense to be recognised in Statement of Profit and Loss	36.76	33.71

d) Actuarial gains/(losses) recognised in Other Comprehensive Income

Particulars	As at March 31, 2023	As at March 31, 2022
Remeasurement for the year - obligation (Gain) / Loss	(16.87)	(14.06)
Remeasurement for the year - plan asset (Gain) / Loss	-	-
Total Remeasurements Credit / (Cost) for the year recognised in OCI	16.87	14.06

C. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	As at March 31, 2023	As at March 31, 2022
Plan A		
Discount rate	7.30%	6.10%
Future salary growth	15% for the 1st year and 8% thereafter	15% for the 1st year and 8% thereafter
Attrition rate	25.00%	25.00%

Mortality rates have been considered in accordance with the Indian Assured Lives Mortality (2012-14) ultimate (IALM ult).

ii. 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	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Plan A				
Discount rate (1% movement)	107.75	116.54	90.92	98.72
Future salary growth (1% movement)	114.94	109.13	97.32	92.13
Attrition rate (1% movement)	111.57	112.39	94.14	95.21

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

The weighted average duration of the defined benefit obligation ranged between 5.62 years (March 31, 2022: 5.95 years). The expected maturity analysis of gratuity is as follows:

Maturity profile of defined benefit obligations

Particulars	As at March 31, 2023	As at March 31, 2022
less than 1 Year	20.20	16.37
between 1-5 years	89.52	72.31
over 5 years	113.32	96.48

c) Compensated Absences

The Company has a defined benefit plan for compensated absences. The expense recognised during the year towards defined benefit plan for compensated absences is Rs. 7.03 millions (March 31, 2022 Rs. 7.84 millions).



Handwritten signature and circular stamp of the company.

Brainbees Solutions Private Limited

Notes forming part of these Standalone financial statements

(All amounts in Rupees millions, unless otherwise stated)

40 Related party transactions

A) Name of the related parties and nature of relationship

(i) where control exists :

Wholly owned subsidiaries

- 1 Intellibeas Solutions Private Limited
- 2 Firstcry Management DWC - LLC
- 3 Shenzhen Starbees Services Ltd
- 4 Joybees Private Limited
- 5 Digital Age Retail Private Limited

Other Direct subsidiaries

- 1 Swara Baby Products Private Limited
- 2 Firmroots Private Limited
- 3 Solis Hygiene Private Limited
- 4 Globalbees Brands Private Limited

Step down subsidiaries

- 1 Firstcry Retail DWC - LLC
- 2 Firstcry Trading Company
- 3 Firstcry General Trading LLC
- 4 Merhaki Foods and Nutrition Private Limited
- 5 Maxinique Solutions Private Limited
- 6 Better and Brighter Homecare Private Limited
- 7 Eyezen Technologies Private Limited
- 8 Cloud Lifestyle Private Limited
- 9 HealthyHey Foods LLP
- 10 Butternut Ventures Private Limited
- 11 Dynamic IT Solution Private Limited
- 12 Kubermart Private Limited
- 13 Mush Textiles Private Limited
- 14 Globalbees Brands DWC LLC
- 15 HS Fitness Private Limited
- 16 DF Pharmacy Limited
- 17 Candes Technology Private Limited
- 18 Solarista Renewables Private Limited
- 19 Encasa Homes Private Limited
- 20 Frootle India Private Limited
- 21 Prayosha Expo Private Limited
- 22 Wellspire India Private Limited
- 23 Plantex E-Commerce Private Limited
- 24 JW Brands Private Limited
- 25 Kitchenopedia Appliances Private Limited
- 26 Swara Hygiene Private Limited

Other Entities where control exists

- 1 Edubees Educational Trust
- 2 Brainbees ESOP Trust

B) Other Related Parties

i. Entities having significant influence

- 1 SVF Frog (Cayman) Limited (Refer Note 18)
- 2 Mahindra Retail Limited (formerly Mahindra Retail Private Limited) which has amalgamated with Mahindra & Mahindra Limited pursuant to an order dated April 29, 2022 passed by National Company Law Tribunal ('NCLT')

ii. Key management personnel

- 1 Mr. Supam Maheshwari - Managing Director
- 2 Mr. Amitava Saha - Director
- 3 Mr. Zhooben Dossabhoy Bhiwandiwalla - Director
- 4 Mr. Munish Ravinder Varma - Director (w.e.f January 21, 2019 till January 12, 2022)
- 5 Mr. Paul Alexander Davison - Director
- 6 Mr. Amit Gupta - Director
- 7 Mr. Akshay Tanna - Director
- 8 Mr. Atul Gupta - Director
- 9 Mr. Vikas Agnihotri - Director (Alternate Director to Munish Ravinder Varma w.e.f December 10, 2021, re-designated as Additional Director w.e.f January 12, 2022, re-designated as Director w.e.f August 29, 2022)
- 10 Mrs. Bala C Deshpande - Non executive & Independent Director (Additional Director w.e.f. May 2, 2022, re - appointed as Non executive & Independent Director w.e.f August 29, 2022)
- 11 Mr. Gopalakrishnan Jagadeeswaran - Non executive & Independent Director (Additional Director w.e.f. May 2, 2022, re - appointed as Non executive & Independent Director w.e.f August 29, 2022)
- 12 Mr. Neeraj Sagar - Non executive & Independent Director (Additional Director w.e.f. April 22, 2022, re - appointed as Non executive & Independent Director w.e.f August 29, 2022)
- 13 Mr. Sanket Hattimattur - Director (Additional Director w.e.f. May 5, 2022, re - appointed as Director w.e.f August 29, 2022)
- 14 Mrs. Sujata Vilas Bogawat - Non executive & Independent Director (Additional Director w.e.f. May 2, 2022, re - appointed as Non executive & Independent Director w.e.f August 29, 2022)
- 15 Mr. Gautam Sharma - Chief Financial Officer
- 16 Ms. Samantha Rego - Company Secretary (w.e.f August 28, 2019 till October 3, 2022)
- 17 Ms. Neelam Jethani - Company Secretary (w.e.f. December 16, 2022)



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
(All amounts in Rupees millions, unless otherwise stated)

40 Related party transactions (continued)

I Transactions with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Subsidiaries		
Firstcry Management DWC LLC		
A) Investment made	2,013.74	569.13
B) Share based payments (included in Investments as per Note 8)	31.29	11.68
Shenzhen Starbees Services Ltd		
A) Professional fees paid	8.12	41.91
B) Share based payments (included in Investments as per Note 8)	-	(4.49)
Digital Age Retail Private Limited		
A) Sale of trading goods	7,919.48	-
B) Rent Income	325.20	-
C) License Fees	12.80	-
D) Investment made	2,006.25	-
E) Share based payments (included in Investments as per Note 8)	133.59	-
F) Purchase of Traded Goods	3,091.31	-
G) Cross Charge	252.13	-
Firstcry Retail DWC - LLC		
A) Sale of trading goods	242.13	188.22
B) Service Income	64.11	69.96
C) Cost charge back	2.27	2.32
D) Share based payments (included in Investments as per Note 8)	25.23	6.67
E) Royalty Income	119.35	93.06
Firstcry Trading Company		
A) Sale of trading goods	87.43	-
B) Service Income	64.37	-
C) Cost charge back	2.41	-
Firmroots Private Limited		
A) Purchase of Traded Goods	-	0.52
B) Internet Display Charges	8.01	-
C) Rent Paid	0.05	0.03
D) Rent Received	0.01	-
E) Investment made	5.93	-
Swara Baby Products Private Limited		
A) Purchase of Traded Goods	2,065.71	1,039.99
B) Interest Income	21.80	2.09
C) Loan Given	400.00	-
Solis Hygiene Private Limited		
A) Investment Made	-	173.61
B) Purchase of Traded Goods	15.41	-
Globalbees Brands Private Limited		
A) Investment Made	-	6,202.22
B) Sublease Rent Income	0.05	0.07
C) Internet Display Charges	0.10	0.11
D) Cost charge back	0.13	-
Maxinique Solutions Private Limited		
A) Internet Display Charges	-	0.05
Merhaki Foods and Nutrition Private Limited		
A) Internet Display Charges	0.76	-
Prayosha Expo Private Limited		
A) Purchase of traded goods	0.32	-
Joybees Private Limited		
A) Investment Made	-	0.10
Other related Parties		
Edubees Educational Trust		
A) Security Deposit Paid	-	12.50
B) Royalty income	3.19	5.99
C) Sale of student kits	6.43	4.06



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
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40 Related party transactions (continued)

I Transactions with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Brainbees ESOP Trust		
A) Loans Given	-	51.81
B) Shares Issued	-	51.81
Key Managerial Personnel*		
Mr. Supam Maheshwari**	2,007.31	291.99
Mr. Sanket Hatimattur** (w.e.f May 5, 2023)	185.72	-
Mr. Gautam Sharma**	47.54	107.03
Ms. Samantha Rego ** (till October 3, 2022)	1.30	3.17
Ms. Neelam Jethani ** (w.e.f December 16, 2022)	0.99	-
Transactions with Key management personnel		
Loan to Mr. Gautam Sharma	75.58	-
Interest Income on loan to Mr. Gautam Sharma	1.09	-

*Remuneration to key management personnel excludes provisions for gratuity and compensated absences benefit which have been actuarially determined for the Company as a whole and hence amounts pertaining to the KMP cannot be determined.

** Includes Share based payments accrual

II Outstanding balances with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Subsidiaries		
Shenzhen Starbees Services Ltd		
Payable for professional services	1.52	11.41
Digital Age Retail Private Limited		
Receivable for sale of goods and services	3,731.76	-
Security Deposit receivable	2.71	-
Firstcry Retail DWC - LLC		
Receivable for sale of goods	118.07	79.65
Receivable for Service charge	64.11	69.96
Receivable for cost charge back	2.01	2.32
Receivable for Royalty Income	119.35	93.06
Firstcry Trading Company		
Receivable for sale of goods	26.84	-
Receivable for Service charge	64.37	-
Receivable for cost charge back	2.41	-
Firmroots Private Limited		
Receivable towards sale of services	5.05	0.59
Receivable towards rent	0.01	-
Payable for purchase of goods	-	0.52
Payable towards Rent	0.02	0.03
Globalbees Brands Private Limited		
Receivable for Services	0.04	0.21
Security Deposit Payable	0.02	0.02
Receivable towards sublease rent income	0.14	-
Receivable for cost charge back	0.15	-
Maxinique Solutions Private Limited		
Receivable from Services	0.06	0.06
Merhaki Foods and Nutrition Private Limited		
Receivable from Services	0.00	-
Swara Baby Products Private Limited		
Advance given towards purchase of goods	51.06	297.40
Loan given	400.00	-
Interest receivable	-	1.47



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
 (All amounts in Rupees millions, unless otherwise stated)

40 Related party transactions (continued)

I Transactions with related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Solis Hygiene Private Limited	1.24	-
Payable for purchase of goods		
Swara Hygiene Private Limited	60.00	-
Advance given towards purchase of goods		
Other related Parties		
Edubees Educational Trust	37.50	37.50
Receivable towards security deposit	22.15	12.99
Receivable towards sale of services and goods		
Brainbees ESOP Trust	51.81	51.81
Loan given		
Balances outstanding with Key Management Personnel	76.68	-
Loan to Mr. Gautam Sharma		
Mahindra Retail Limited (formerly Mahindra Retail Private Limited) which has amalgamated with Mahindra & Mahindra Limited pursuant to an order dated April 29, 2022 passed by National Company Law Tribunal ('NCLT')	-	(13.14)
Receivable/(Payable) for sale of goods		

All transactions with these related parties are priced on an arm's length basis.

40 (b) Details of significant investments in subsidiaries

Name of the Company	Country of Incorporation/ Place of business	% direct holding	
		As at March 31, 2023	As at March 31, 2022
Subsidiaries			
Intellibeas Solutions Private Limited	India	100.00%	100.00%
Firstcry Management DWC - LLC	United Arab Emirates	100.00%	100.00%
Shenzhen Starbees Services Ltd	China	100.00%	100.00%
Joybees Private Limited	India	100.00%	100.00%
Digital Age Retail Private Limited	India	100.00%	-
Swara Baby Products Private Limited	India	53.45%	53.45%
Firmroots Private Limited	India	67.90%	61.37%
Solis Hygiene Private Limited	India	79.34%	79.34%
Globalbees Brands Private Limited	India	52.15%	52.15%
Other entities			
Edubees Educational Trust	India	100.00%	100.00%
Brainbees ESOP Trust	India	100.00%	100.00%

41 Ratios as per Schedule III requirements

a) Current ratio = Current assets divided by Current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Current assets	18,399.38	23,789.79
Current liabilities	3,586.32	5,138.11
Ratio	5.13	4.63
% Change from previous year	10.81%	

b) Debt equity ratio = Total Debt divided by Total equity

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	4,514.80	2,854.64
Total equity	37,446.33	35,574.41
Ratio	0.12	0.08
% Change from previous year	50.25%	

The increase in ratio is due to addition of lease liability during the year, considered as debt.



41 Ratios as per Schedule III requirements

c) Debt service coverage ratio = Earnings available for debt services divided by Total interest and principal payments

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) after tax	(1,563.93)	187.76
Add : Non cash operating expenses and finance cost		
- Depreciation and amortisation	1,292.31	868.20
- Finance cost	400.49	231.18
Earnings available for debt services	128.87	1,287.14
Interest cost on borrowings	400.49	231.18
Principal repayments and lease payments	353.11	287.97
Total Interest and principal repayments	753.60	519.16
Ratio	0.17	2.48
% Change from previous year	-93.10%	

The ratio has been reduced primarily due to increase in employee share based payment expenses during the year ended 31 March, 2023.

d) Return on Equity Ratio / Return on Investment Ratio = Net profit after tax divided by Equity

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) after tax	(1,563.93)	187.76
Total Equity	37,446.33	35,574.41
Ratio	-4.18%	0.53%
% Change from previous year	-891%	

The ratio has been reduced primarily due to increase in employee share based payment expenses during the year ended 31 March, 2023.

e) Inventory Turnover Ratio = Cost of material consumed divided by closing inventory

Particulars	As at March 31, 2023	As at March 31, 2022
Purchase of traded goods	14,193.59	14,590.88
Changes in inventory	3,375.27	(3,376.81)
Cost of material consumed	17,568.85	11,214.07
Average Inventory	6,009.07	6,008.30
Ratio	2.92	1.87
% Change from previous year	56.65%	

The above change is due to decrease in inventory as at 31 March, 2023 as compared to 31 March, 2022.

f) Trade Receivables turnover ratio = Credit Sales divided by Closing trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Sales	25,418.92	17,523.86
Average Trade Receivables	4,675.92	1,446.50
Ratio	5.44	12.11
% Change from previous year	-55.13%	

The ratio has decreased due to increase in trade receivable as on March 31, 2023.

g) Trade payables turnover ratio = Credit purchases divided by closing stock

Particulars	As at March 31, 2023	As at March 31, 2022
Credit Purchases	10,886.80	11,454.20
Closing Trade Payables	3,083.59	3,148.05
Ratio	3.53	3.64
% Change from previous year	-2.97%	

h) Net working capital Turnover Ratio = Sales divided by Net Working capital where net working capital = current assets - current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from operations	25,418.92	17,523.86
Net working capital	14,813.06	18,651.68
Ratio (Times)	0.58	1.06
% Change from previous year	-45.25%	

This ratio has reduced due to reduction in current assets as on March 31, 2023.

i) Net profit ratio = Net profit after tax divided by Sales

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) after tax	(1,563.93)	187.76
Revenue from operations	25,418.92	17,523.86
Ratio	-6.15%	1.07%
% Change from previous year	-674%	

The ratio has been reduced primarily due to increase in employee share based payment expenses during the year ended 31 March, 2023.



Brainbees Solutions Private Limited

Notes forming part of these Standalone financial statements

(All amounts in Rupees millions, unless otherwise stated)

41. Ratios as per Schedule III requirements (continued)

j) Return on Capital employed = Earnings before interest and taxes (EBIT) divided by Capital Employed

Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) before tax (A)	(1,809.03)	337.74
Finance costs (B)	400.49	231.18
EBIT (C) = (A)+(B)	(1,408.54)	568.93
Total equity (D)	37,446.33	35,574.41
Borrowings (including lease liabilities) (E)	4,514.80	2,854.64
Intangible assets (F)	3,430.61	3,437.54
Capital Employed (G)=(D)+(E)-(F)	38,530.52	34,991.51
Ratio (C)/(G)	-3.66%	1.63%
% Change from previous year	-325%	

The ratio has been reduced primarily due to increase in employee share based payment expenses during the year ended 31

42. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors has been identified as the chief operating decision maker. The Company has only one operating and reportable segment which is "Baby and Kids products". The company has also ventured into pre school business for kids through various franchisee partners in India. However the same does not qualify to be a separate reportable business segment.

Information concerning principal geographic areas is as follows:

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within India	Outside India	Total	Within India	Outside India	Total
Net sales to external customer by geographic area by location of customer	24,908.63	510.29	25,418.92	17,177.32	346.54	17,523.86

All the assets of the company are located within India except for foreign currency

Major Customers:

The Company has no external customer which accounts for more than 10% of the Company's total revenue for the year ended March 31, 2023 and March 31, 2022.

43. Share based payments

See accounting policy in Note 3(f)(ii).

A. Description of share-based payment arrangements

The Company has the following share-based payment arrangements:

Share option plans (equity-settled)

On March 31, 2011 the Company established share option plans ('Brainbees Employee Stock Option Plan 2011') that entitle the employees to purchase shares in the Company. Under this plan, holders of vested options are entitled to purchase shares at 10% of the market price of the shares determined at the immediately preceding round of equity raised by the Company. All the options have a vesting condition of 25% every year over a period of 4 years and have an exercise life of 10 years.

On April 1, 2019 the Company established share option plans that entitle the employees to purchase shares in the Company. Under this plan, holders of vested options are entitled to purchase shares at Rs. 2 per share price. The options have a vesting condition of 25% every year over a period of 4 years.

On January 21, 2022 Brainbees Solutions Private Limited established share option plans that entitle the employees to purchase shares in the Brainbees Solutions Private Limited. Under this plan, holders of vested options are entitled to purchase shares at Rs. 2 per share price. The options have a vesting condition of 25% every year over a period of 4 years.

The number of instruments related to all the grants are as follows:

Grant	Number of instruments
Grant 1	-
Grant 2	-
Grant 3	85,153
Grant 4	1,49,073
Grant 5	2,825
Grant 6	3,465
Grant 7	65,800
Grant 8	1,67,570
Grant 9	95,699
Grant 10	8,74,950
Grant 11	-
Grant 12	1,17,902
Grant 13	1,81,53,410
Grant 14	16,02,925
Grant 15	36,95,225
Grant 16	4,64,898
Grant 17	53,750
Total share options	2,55,32,644

B. Measurement of fair values

Equity-settled share-based payment arrangements

The fair value of employee share options has been measured using Black-Scholes option pricing model.



43 Share based payments (continued)

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

31 March 2023

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Fair value at grant date	9.29	25.08	33.47	74.37	74.37
Share price at grant date	9.29	25.08	33.47	74.40	74.40
Exercise price	2.32	6.27	8.36	7.44	7.44
Expected volatility (weighted average volatility)	251%	251%	251%	251%	251%
Expected life (expected weighted average Life)	7.50	8.05	8.07	6.25	6.25
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.30%	8.81%	8.81%	8.81%	8.81%

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Fair value at grant date	92.40	94.00	94.00	157.19	157.19
Share price at grant date	93.75	94.00	94.00	161.06	161.06
Exercise price	9.37	9.40	9.40	15.44	15.44
Expected volatility (weighted average volatility)	251%	251%	251%	112%	112%
Expected life (expected weighted average Life)	7.53	6.53	6.53	7.25	7.25
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.81%	8.81%	8.81%	6.60%	6.60%

Particulars	Grant 11	Grant 12	Grant 13	Grant 14	Grant 15
Fair value at grant date	157.19	257.48	279.71-258.78	279.90	279.90
Share price at grant date	161.06	280.87	281.58	281.58	281.58
Exercise price	2.00	28.09	2.00	2.00	2.00
Expected volatility (weighted average volatility)	112%	72%	68%	72%	72%
Expected life (expected weighted average Life)	7	3	2	3	3
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	6.60%	4.99%	4.44%	5.71%	5.71%

Particulars	Grant 16	Grant 17
Fair value at grant date	441.07	441.20
Share price at grant date	442.81	442.81
Exercise price	2.00	2.00
Expected volatility (weighted average volatility)	57%	58%
Expected life (expected weighted average Life)	2.25	3.00
Expected dividends	-	-
Risk-free interest rate (based on government bonds)	6.20%	7.06%

31 March 2022

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Fair value at grant date	9.29	25.08	33.47	74.37	74.37
Share price at grant date	9.29	25.08	33.47	74.40	74.40
Exercise price	2.32	6.27	8.36	7.44	7.44
Expected volatility (weighted average volatility)	251%	251%	251%	251%	251%
Expected life (expected weighted average Life)	7.50	8.05	8.07	6.25	6.25
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.30%	8.81%	8.81%	8.81%	8.81%

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Fair value at grant date	92.40	94.00	94.00	157.19	157.19
Share price at grant date	93.75	94.00	94.00	161.06	161.06
Exercise price	9.37	9.40	9.40	15.44	15.44
Expected volatility (weighted average volatility)	251%	251%	251%	112%	112%
Expected life (expected weighted average Life)	7.53	6.53	6.53	7.25	7.25
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.81%	8.81%	8.81%	6.60%	6.60%

Particulars	Grant 11	Grant 12	Grant 13	Grant 14	Grant 15
Fair value at grant date	157.19	257.48	279.71-258.78	279.90	279.90
Share price at grant date	161.06	280.87	281.58	281.58	281.58
Exercise price	2.00	28.09	2.00	2.00	2.00
Expected volatility (weighted average volatility)	112%	72%	68%	72%	72%
Expected life (expected weighted average Life)	7.25	3.00	1.50	3.00	3.00
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	6.60%	4.99%	4.44%	5.71%	5.71%



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
(All amounts in Rupees millions, unless otherwise stated)

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share option under the share option plans are as follows:

March 31, 2023

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Outstanding at 1 April 2022	2,55,765	-	1,35,180	1,62,390	2,825
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	-	-
Cancelled during the period	-	-	-	-	-
Exercised during the period	(2,55,765)	-	(50,028)	(13,318)	-
Outstanding at 31 March 2023	-	-	85,153	1,49,073	2,825
Exercisable at March 31, 2023	-	-	34,061	59,629	1,130

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Outstanding at 1 April 2022	3,465	65,800	1,67,570	95,699	8,97,700
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	-	(22,750)
Cancelled during the period	-	-	-	-	-
Exercised during the period	-	-	-	-	-
Outstanding at 31 March 2023	3,465	65,800	1,67,570	95,699	8,74,950
Exercisable at March 31, 2023	1,386	26,320	67,028	22,627	2,43,509

Particulars	Grant 11	Grant 12	Grant 13	Grant 14	Grant 15
Outstanding at 1 April 2022	-	1,22,590	1,81,53,410	17,23,870	37,83,353
Granted during the period	-	-	-	-	-
Forfeited during the period	-	(4,688)	-	(1,20,945)	(88,128)
Cancelled during the period	-	-	-	-	-
Exercised during the period	-	-	-	-	-
Outstanding at 31 March 2023	-	1,17,902	1,81,53,410	16,02,925	36,95,225
Exercisable at March 31, 2023	-	25,028	-	4,13,688	3,32,849

Particulars	Grant 16	Grant 17
Outstanding at 1 April 2022	-	-
Granted during the period	4,66,148	53,750
Forfeited during the period	(1,250)	-
Cancelled during the period	-	-
Exercised during the period	-	-
Outstanding at 31 March 2023	4,64,898	53,750
Exercisable at March 31, 2023	-	-

March 31, 2022

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Outstanding at 1 April 2021	4,09,450	6,38,400	6,20,350	17,48,000	2,51,750
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	-	-
Cancelled during the period	(1,53,685)	(6,38,400)	(4,77,710)	(13,71,053)	(2,43,413)
Exercised during the period	-	-	(7,460)	(2,14,558)	(5,513)
Outstanding at 31 March 2022	2,55,765	-	1,35,180	1,62,390	2,825
Exercisable at March 31, 2022	2,55,765	-	1,35,180	1,62,390	2,825

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Outstanding at 1 April 2021	28,500	2,85,000	13,87,375	2,05,100	11,28,460
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	(48,575)	(16,063)
Cancelled during the period	(25,035)	(1,21,625)	(1,12,690)	(20,820)	(98,873)
Exercised during the period	-	(97,575)	(11,07,115)	(40,006)	(1,15,825)
Outstanding at 31 March 2022	3,465	65,800	1,67,570	95,699	8,97,700
Exercisable at March 31, 2022	3,465	65,800	1,39,070	17,436	3,42,595

Particulars	Grant 11	Grant 12	Grant 13	Grant 14	Grant 15
Outstanding at 1 April 2021	24,54,091	-	-	-	-
Granted during the period	-	1,50,115	1,81,53,410	17,28,870	37,96,748
Forfeited during the period	(78,498)	(27,525)	-	(5,000)	(13,395)
Cancelled during the period	(19,09,976)	-	-	-	-
Exercised during the period	(4,65,618)	-	-	-	-
Outstanding at 31 March 2022	-	1,22,590	1,81,53,410	17,23,870	37,83,353
Exercisable at March 31, 2022	-	29,228	-	-	-



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
(All amounts in Rupees millions, unless otherwise stated)

43 Share based payments (continued)

Weighted average exercise price for:

Particulars	March 31, 2023	March 31, 2022
Outstanding as at the beginning of the year	2.79	6.08
Granted during the year	2.00	2.16
Forfeited during the year	3.80	10.39
Cancelled during the year	-	5.50
Exercised during the year	3.48	7.97
Outstanding at at the end of the year	2.75	2.79
Exercisable at at end of the year	6.46	9.79

Note

During the year ended March 31, 2022, the company has cancelled 35,01,987 ESOPs at the fair value Rs. 280.87 per option. The total consideration paid for relinquishment of these vested options was Rs. 958.47 millions. Out of the total amount Rs. 231.50 millions has been adjusted against Share Options Outstanding Reserve and balance amount of Rs. 726.97 millions has been adjusted against Retained earnings.

The disclosure for year ended March 31, 2022, have been restated in accordance with impact of sub-division of shares of Rs. 5 each to Rs. 2 each.

44 Fair value measurements

A Accounting classifications and fair values

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables and other current financial liabilities approximates their carrying amounts largely due to short term maturities of these instruments.

The following table shows carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

As at March 31, 2023

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Investments	14,724.51	-	-	-
Security deposits	273.46	-	-	-
Bank deposits	180.82	-	-	-
Loans	774.38	-	-	-
Trade receivables	4,675.92	-	-	-
Cash and cash equivalents	1,117.88	-	-	-
Other bank balances	6,845.08	-	-	-
Other financial assets	216.41	-	-	-
Total financial assets	28,808.46	-	-	-
Financial liabilities at amortised cost				
Lease Liability	4,514.80	-	-	-
Trade payables	2,312.76	-	-	-
Other non-current financial liabilities	2.73	-	-	-
Other current financial liabilities	366.84	-	-	-
Total financial liabilities	7,197.13	-	-	-

As at March 31, 2022

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets				
Investments	10,108.49	-	-	-
Loans	-	-	-	-
Security deposits	278.36	-	-	-
Bank deposits	0.78	-	-	-
Trade receivables	1,446.50	-	-	-
Cash and cash equivalents	1,967.13	-	-	-
Other bank balances	10,463.14	-	-	-
Other financial assets	195.66	-	-	-
Total financial assets	24,460.07	-	-	-
Financial liabilities at amortised cost				
Lease liability	2,854.64	-	-	-
Trade payables	3,854.43	-	-	-
Other non-current financial liabilities	4.40	-	-	-
Other current financial liabilities	270.35	-	-	-
Total financial liabilities	6,983.82	-	-	-



Brainbees Solutions Private Limited
Notes forming part of these Standalone financial statements
(All amounts in Rupees millions, unless otherwise stated)

45 Financial Instruments - Risk management

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- i) credit risk;
- ii) liquidity risk; and
- iii) market risk.

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The senior management is for developing and monitoring the Company's risk management policies. The management reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess impairment loss or gain. The Company uses a matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes in to account available external and internal credit risk factors and Company's historical experience for customers.

The Company has not made any provision on expected credit loss arising on trade receivables and other financial assets, based on management estimates.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks and financial institutions with high credit ratings assigned by domestic credit rating agencies.

iii. Liquidity risk

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

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

As at March 31, 2023

Particulars	Carrying amount	Contractual cash flows		
		Less than 1 year	1- 3 years	More than 3 years
Trade payables	2,312.76	2,312.76	-	-
Lease liabilities	4,514.80	892.70	1,806.54	3,750.36
Other financial liabilities	369.57	369.57	-	-

As at March 31, 2022

Particulars	Carrying amount	Contractual cash flows		
		Less than 1 year	1- 3 years	More than 3 years
Trade payables	3,854.43	3,854.43	-	-
Lease liabilities	2,854.64	697.07	1,284.45	2,034.16
Other financial liabilities	274.75	274.75	-	-

iv. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.



45 Financial instruments - Risk management (Continued)

Currency risk

The Company's exposure to foreign currency risk is limited as majority of the transactions are in its functional currency. As at the balance-sheet date, the Company had following foreign currency exposures which have not been hedged by any derivative financial instruments as they are not material.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Foreign currency	Rupees	Foreign currency	Rupees
Payable - USD	(0.10)	(7.69)	(0.24)	(17.87)
Payable - EURO	(0.04)	(3.31)	(0.23)	(19.57)
Receivable - USD	0.93	76.10	1.17	87.09
Total		65.10		49.65

Sensitivity:

Particulars	Impact on profit before tax and equity	
	March 31, 2023	March 31, 2022
USD sensitivity		
USD/INR -Increase by 5%	3.42	3.46
USD/INR -Decrease by 5%	(3.42)	(3.46)
EURO sensitivity		
EURO/INR -Increase by 5%	(0.17)	(0.98)
EURO/INR -Decrease by 5%	0.17	0.98

46 Capital Management

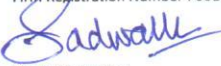
The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and other stakeholders' confidence and to sustain future development of the business. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new share or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital using a ratio of 'net debt' 'equity'. For this purpose, net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents and other balances with Banks. Equity comprises all components. The company has no debt as on March 31, 2023 and March 31, 2022.

47 Other Statutory information required by schedule III to the Companies Act, 2013



- The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- The Company does not have any charges or satisfaction which is yet to be registered with the ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or virtual currency during the current financial year.
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 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 :
I) Directly or indirectly lend or invest in other person (s) or entities identified in any manner whatsoever on behalf of the Company (ultimate beneficiaries)
II) Provide any guarantee, any securities or the like to or on behalf of the ultimate beneficiaries.
- 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 person (s) or entities identified in any manner whatsoever on behalf of the Company (ultimate beneficiaries)b) Provide any guarantee, any securities or the like to or on behalf of the ultimate beneficiaries.
- The Company has not revalued any of its property, plants and equipments including Right of Use asset during the year.
- The Company has no transactions with any struck off company during the year.

As per our report of even date attached
For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration Number : 001076N/N00013


Shashi Tadwalkar
Partner
Membership Number - 101797
Place : Pune
Date :
UDIN : 23101797BGXFFA7808



For and on behalf of the Board of Directors
Brainbees Solutions Private Limited


Supam Maheshwari
Managing Director
DIN : 01730685
Place : Pune
Date :

Gautam Sharma
Chief Financial Officer
Place : Pune
Date :


Sanket Hattimattur
Director
DIN : 09593712
Place : Pune
Date :

Neelam Jethani
Company Secretary
Place : Pune
Date :