

BSR & Co. LLP

Chartered Accountants

8th floor, Business Plaza,
Westin Hotel Campus,
36/3-B, Koregaon Park Annex,
Mundhwa Road, Ghorpadi,
Pune - 411001, India

Telephone: +91 20 6747 7300
Fax: +91 20 6747 7310

INDEPENDENT AUDITORS' REPORT

To the Members of Brainbees Solutions Private Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Brainbees Solutions Private Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our 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 on the Standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' 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.



Brainbees Solutions Private Limited
Independent Auditors' Report – 31 March 2021 (continued)

Other Information (continued)

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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



Auditor's Responsibilities for the Audit of the Standalone Financial Statements (*continued*)

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

- Identify and assess the risks of material misstatement of the standalone 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Brainbees Solutions Private Limited
Independent Auditors' Report – 31 March 2021 (continued)

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



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Brainbees Solutions Private Limited
Independent Auditors' Report – 31 March 2021 (continued)

Report on Other Legal and Regulatory Requirements (continued)

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) Since the Company is a private limited company, provisions of Section 197 are not applicable to the Company, accordingly matters to be included in Auditor's Report under section 197(16) are not applicable.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W / W - 100022



Abhishek

Partner

Place: Pune

Date: 21 September 2021

Membership No. 062343

UDIN: 21062343AAAAEF4031

Brainbees Solutions Private Limited

Annexure A to the Independent Auditors' report on the standalone financial statements of Brainbees Solutions Private Limited for the period ended 31 March 2021.

With reference to Annexure A referred to in paragraph 1 in Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report to the Members of the Company on the financial statements for the year ended 31 March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details, description and situation of fixed assets.
- (b) The Company has a regular program of physical verification of its fixed assets, by which all of its fixed assets are physically verified once every two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its fixed assets. According to the information and explanations given to us, the Company has physically verified fixed assets during the year in accordance with the program. No material discrepancies were noticed on such verification.
- (c) The Company did not own any immovable properties. In respect of immovable properties that have been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) The inventory, except for goods-in-transit and inventory lying with certain third parties, has been physically verified by the management during the year / subsequent to the year end. In respect of goods-in-transit, subsequent goods receipts have been verified. In our opinion, the frequency of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noted on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013 ("the Act"). Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) 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 complied with provisions of section 185 and 186 of the Act in respect of the loans and investments made and guarantees and securities provided.
- (v) The Company has not accepted any deposits from the public in terms of directives issued by the Reserve Bank of India and the provisions of section 73 to 76 of the Act and the rules framed thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014 for any of the products traded by the Company.



Brainbees Solutions Private Limited**Annexure A to the Independent Auditors' Report – 31 March 2021 (continued)**

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Goods and Service Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities, except for delay in deposit of Income Tax dues of INR 855.91 lakhs wherein there was delay of 29 days and provident fund dues referred to in note 31 to the standalone financial statements. As explained to us, the Company did not have any dues on account of Sales Tax, Service Tax, Value Added Tax and Duty of Excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Goods and Service Tax and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable. We draw attention to note 31 to the standalone financial statements which more fully explains the matter regarding non-payment of provident fund contribution pursuant to Supreme Court judgement dated 28 February 2019.

- (b) According to the information and explanations given to us, there are no dues of Income-Tax, Service-Tax, Sales-Tax, Value Added Tax, Duty of Customs, Duty of Excise and Goods and Service Tax which have not been deposited with the appropriate authorities as at 31 March 2021 by the Company on account of any disputes except for the following:

Name of the Statute	Nature of Dues	Amount (in INR Lakhs)	Amount paid under protest (in INR Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	-*	-	AY 2016-17 AY 2017-18	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	163.45	25.31	AY 2016-17	Commissioner of Income Tax (Appeals)
Central Sales Tax Act, 1956 & Maharashtra Value Added Tax Act, 2002	Sales Tax & VAT	220.44	10.34	FY 2015-16	Joint Commissioner of Sales Tax
Central Sales Tax Act, 1956 & Maharashtra Value Added Tax Act, 2002	Sales Tax & VAT	37.24	-	FY 2016-17	Commissioner of Sales Tax#
Central Sales Tax Act, 1956	Sales Tax (C – form submission)	33.56	-	2015-16 2016-17 2017-18	Sales Tax Department

Brainbees Solutions Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (continued)

- (*) The Company has received assessment order wherein certain expenses have been added back to the taxable income, thereby, reducing the brought forward losses.
- (#) The Company is in the process of filing appeal.
- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any loans or borrowings from any financial institution, government or debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The Company is a 'private limited company'. Accordingly, the provisions of paragraph 3(xi) of the Order are not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company as per the Act. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) The Company is a 'private limited company' and therefore the provisions of section 177 of the Act are not applicable to the Company. Further, as per Ministry of Corporate Affairs' Notification No. GSR 464(E) dated 05-06-2015, the provisions of section 188 of the Act shall not apply to a private limited company relating to transactions with the holding company or a subsidiary of the holding company to which it is also a subsidiary or transactions with the ultimate holding company or a subsidiary of the ultimate holding company. According to the information and explanations given to us, the transactions with related parties other than those exempt under the said notification are in compliance with section 188 of the Act and the details, as required by the applicable accounting standards have been disclosed in the financial statements.
- (xiv) 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 made preferential allotment on private placement basis of equity shares during the year in compliance with the requirements of section 42 of the Act. The funds raised were utilized for the purposes for which they were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them during the year. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.



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Brainbees Solutions Private Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (*continued*)

- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W / W -100022



Abhishek

Partner

Place: Pune

Date: 21 September 2021

Membership No. 062343

UDIN: 21062343AAAAEF4031

Brainbees Solutions Private Limited

Annexure B to the Independent Auditors' report on the standalone financial statements of Brainbees Solutions Private Limited for the period ended 31 March 2021.

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Brainbees Solutions Private Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of 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 standalone financial statements, whether due to fraud or error.

B S R & Co. LLP

Brainbees Solutions Private Limited

Annexure B to the Independent Auditors' Report – 31 March 2021 (*continued*)

Auditors' Responsibility (*continued*)

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial 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

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 Standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No. 101248W / W - 100022



Abhishek

Partner

Place: Pune

Date: 21 September 2021

Membership No. 062343

UDIN: 21062343AAAAEF4031

Brainbees Solutions Private Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	4	5,348.75	3,501.97
Capital work-in-progress	4	622.08	2,256.00
Right of use asset	5	13,675.73	8,682.27
Goodwill	6	30,324.67	30,324.67
Other intangible assets	6	4,123.95	4,260.81
Intangible assets under development	6	39.38	62.55
Financial assets			
(a) Investments	7	31,495.58	5,049.29
(b) Other financial assets	8 (a)	9,034.54	46,665.25
Deferred tax assets (net)	9	12,617.20	-
Other tax assets (net)	10	157.61	477.33
Other non-current assets	11 (a)	2,668.08	2,503.92
Total non-current assets		1,10,107.57	1,03,784.06
Current assets			
Inventories	12	43,198.91	28,454.17
Financial assets			
(a) Trade receivables	13	12,867.76	8,587.29
(b) Cash and cash equivalents	14	26,711.80	14,635.63
(c) Bank balances other than (b) above		1,89,939.53	1,09,396.84
(d) Other financial assets	8 (b)	6,408.40	3,301.10
Other current assets	11 (b)	8,403.06	6,949.61
Total current assets		2,87,529.46	1,71,324.64
Total Assets		3,97,637.03	2,75,108.70
Equity and liabilities			
Equity			
Equity share capital	15	7,849.06	6,932.03
Other equity	16	3,45,677.15	2,37,480.30
Total equity		3,53,526.21	2,44,412.33
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	5	11,371.68	6,131.67
(b) Other financial liabilities	18 (a)	43.82	43.82
Provisions	19 (a)	977.96	634.01
Total non-current liabilities		12,393.46	6,809.50
Current liabilities			
Financial liabilities			
(a) Lease liabilities	5	2,858.51	2,534.23
(b) Trade payables			
Dues of micro enterprises and small enterprises	20	331.68	994.04
Dues of creditors other than micro enterprises and small enterprises	20	24,084.97	16,218.31
(c) Other financial liabilities	18 (b)	834.68	1,989.25
Other current liabilities	21	3,374.90	2,003.08
Provisions	19 (b)	232.62	147.96
Total current liabilities		31,717.36	23,886.87
Total equity and liabilities		3,97,637.03	2,75,108.70
Summary of significant accounting policies	2-3		
See accompanying notes forming integral part of financial statements	4-39		
As per our report of even date attached			
For B S R & Co. LLP			
Chartered Accountants			
Firm Registration number - 101248W/W-100022			
<i>Abhishek</i>			
Abhishek			
Partner			
Membership No. - 062343			
Place : Pune			
Date : 21 Sept 2021			
For and on behalf of the Board of Directors			
Brainbees Solutions Private Limited			
<i>Supam Maheshwari</i>			
Supam Maheshwari			
Managing Director			
DIN : 01730685			
Place : Pune			
Date : Sep 21, 2021			
<i>Amitava Saha</i>			
Amitava Saha			
Director			
DIN : 02655827			
Place : Pune			
Date : Sep 21, 2021			
<i>Gautam Sharma</i>			
Gautam Sharma			
Chief Financial Officer			
Place : Pune			
Date : Sep 21, 2021			
<i>Samantha Rego</i>			
Samantha Rego			
Company Secretary			
Place : Pune			
Date : Sep 21, 2021			

Brainbees Solutions Private Limited
Standalone Statement of Profit and Loss for year ended March 31, 2021
 (All amounts in Rupees lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income			
Revenue from operations	22	1,30,928.49	80,549.58
Other income	23	13,455.17	8,203.27
Total Income		1,44,383.66	88,752.85
Expenses			
Purchase of traded goods		97,860.69	75,224.47
Changes in inventories of traded goods	24	(14,744.74)	(9,529.77)
Employee benefits expense	25	18,581.69	10,694.29
Finance cost	26	1,237.28	295.84
Depreciation and amortisation expense	27	5,988.95	3,411.57
Other expenses	28	19,688.93	24,954.47
Total expenses		1,28,612.80	1,05,050.87
Profit / (Loss) before tax		15,770.86	(16,298.02)
Tax expense	29		
Current tax		-	-
Deferred tax		12,615.83	25.04
Total tax expense		12,615.83	25.04
Profit / (Loss) for the year		28,386.69	(16,272.98)
Other comprehensive income			
Items that will not be reclassified to statement of profit or loss			
Re-measurement of post-employment benefit obligations		(5.44)	80.25
Income tax relating to items that will not be reclassified to statement of profit or loss		1.37	(25.04)
Total other comprehensive income		(4.07)	55.21
Total comprehensive income/(loss) for the year		28,382.62	(16,217.77)
Earning per equity share			
Basis earning per share (INR)	30	22.22	(15.85)
Diluted earning per share (INR)	30	18.78	(15.85)

Summary of significant accounting policies

2-3

See accompanying notes forming integral part of financial statements

4-39

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration number - 101248W/W-100022

Abhishek
 Abhishek

Partner

Membership No. - 062343

Place : Pune

Date : 21 Sep 2021

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

Supam Maheshwari

Supam Maheshwari

Managing Director

DIN : 01730685

Place : Pune

Date : Sep 21, 2021

Gautam Sharma

Gautam Sharma

Chief Financial Officer

Place : Pune

Date : Sep 21, 2021

Amitava Saha

Amitava Saha

Director

DIN : 02655827

Place : Pune

Date : Sep 21, 2021

Samantha Rego

Samantha Rego

Company Secretary

Place : Pune

Date : Sep 21, 2021

Brainbees Solutions Private Limited
Standalone Statement of Cash Flows for the year ended March 31, 2021
(All amounts in Rupees lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flows from operating activities		
Profit / (Loss) for the year	15,770.86	(16,298.02)
Adjustments for:		
Depreciation on property, plant and equipment	2,100.29	1,058.69
Amortisation of intangible assets	399.36	250.15
Amortisation of right of use assets	3,489.30	2,102.73
Employee stock option scheme expense	4,438.61	2,313.38
Debtors written off	3.18	1.55
Unrealised foreign currency gain	(28.40)	(4.25)
Net Loss on Sale of Property Plant & Equipments	54.74	-
Gain on Termination on Leases	(50.09)	-
Rent Concession	(364.52)	-
Interest income on fixed deposits with banks	(10,118.42)	(7,550.82)
Interest income on security deposits	(98.92)	(92.30)
Finance costs	1,237.28	295.84
Operating cash flow before working capital changes	16,833.27	(17,923.05)
Working capital changes		
(Increase)/Decrease in trade receivables	(4,283.66)	(4,185.72)
(Increase)/Decrease in inventories	(14,744.74)	(9,529.77)
(Increase)/Decrease in other non-current financial assets	(2,420.16)	(1,015.05)
(Increase)/Decrease in other non-current assets	(164.16)	(2,250.20)
(Increase)/Decrease in other current assets	(1,453.45)	(359.90)
Increase/(Decrease) in trade payables	7,204.31	5,144.39
Increase/(Decrease) in other current liabilities	1,371.82	122.54
Increase/(Decrease) in provisions	423.18	383.59
Increase/(Decrease) in current and non-current financial liabilities	(1,154.58)	1,669.39
Cash generated from operating activities	1,611.83	(27,943.78)
Income tax paid (net)	319.72	(221.26)
Net cash used in operating activities (A)	1,931.55	(28,165.04)
Cash flow from investing activities		
Acquisition of property, plant and equipment	(2,451.29)	(4,478.73)
Proceeds from sale of property, plant and equipment	83.59	-
Acquisition of intangible assets	(239.50)	(352.50)
Investments in Bank deposits	(80,542.69)	(75,277.01)
Proceeds from Bank deposits	37,711.03	9,700.83
Investments in subsidiaries and other entities	(26,303.12)	(5,023.66)
Acquisition of FOFO pre school business	-	(1,049.53)
Interest received	9,121.62	5,739.67
Net cash (used)/generated in investing activities (B)	(62,620.36)	(70,740.93)
Cash flow from financing activities		
Proceeds from issue of shares	982.53	1,368.22
Proceeds from securities premium	78,931.16	1,04,189.32
Amount paid on account of Shares bought back	(3,764.22)	-
Repayment of lease liabilities (including Interest)	(3,407.05)	(2,412.62)
Interest paid	(5.88)	(4.94)
Net cash generated from financing activities (C)	72,736.54	1,03,139.98
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	12,047.73	4,234.01
Cash and cash equivalents at the beginning of the year	14,635.63	10,397.37
Exchange Fluctuation on foreign currency bank balance	28.44	4.25
Cash and cash equivalents at the end of the year	26,711.80	14,635.63



Brainbees Solutions Private Limited**Standalone Statement of Cash Flows for the year ended March 31, 2021**

(All amounts in Rupees lakhs, unless otherwise stated)

Notes:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
1. Components of cash and cash equivalents:			
Cash on hand	7.72	7.65	0.67
Balances with banks			
In current accounts	11,404.08	1,431.98	1,896.70
In deposit accounts having original maturity less than 3 months	15,300.00	13,196.00	8,500.00
Total	26,711.80	14,635.63	10,397.37

Summary of significant accounting policies

2-3

See accompanying notes forming integral part of these financial statements

4-39

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration number - 101248W/W-100022



Abhishek

Partner

Membership No. - 062343

Place : Pune

Date : 21 Sep 2021

For and on behalf of the Board of Directors

Brainbees Solutions Private Limited



Supam Maheshwari

Managing Director

DIN : 01730685

Place : Pune

Date : Sep 21, 2021

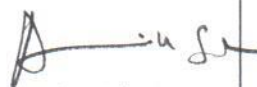


Gautam Sharma

Chief Financial Officer

Place : Pune

Date : Sep 21, 2021



Amitava Saha

Director

DIN : 02655827

Place : Pune

Date : Sep 21, 2021



Samantha Rego

Company Secretary

Place : Pune

Date : Sep 21, 2021

Brainbees Solutions Private Limited

Standalone Statement of Changes in Equity for the year ended March 31, 2021

(All amounts in Rupees lakhs, unless otherwise stated)

A Equity share capital

Particulars	Amount
Balance as at April 1, 2019	5,563.81
Changes in equity share capital during the year	1,368.22
Balance as at March 31, 2020	6,932.03
Balance as at April 1, 2020	6,932.03
Changes in equity share capital during the year	917.03
Balance as at March 31, 2021	7,849.06

B Other equity

Particulars	Attributable to the owners of the Company					Total
	Retained earnings	ESOP reserve*	Securities premium	Capital redemption reserve	Remeasurement of the net defined benefit Plans	
Balance as at April 1, 2019	39,228.22	2,646.06	1,05,118.53	0.36	177.57	1,47,170.74
Profit / (Loss) for the year	(16,272.98)	-	-	-	-	(16,272.98)
Other comprehensive income (net of tax)	-	-	-	-	55.21	55.21
Total comprehensive income for the year	(16,272.98)	-	-	-	55.21	(16,217.77)
Transactions with owners, recorded directly in equity	-	-	-	-	-	-
Share-based payment*	-	2,338.01	-	-	-	2,338.01
Premium on issue of Series E Equity Shares	-	-	1,04,189.32	-	-	1,04,189.32
Total transactions with owners	-	2,338.01	1,04,189.32	-	-	1,06,527.33
Balance as at March 31, 2020	22,955.24	4,984.07	2,09,307.85	0.36	232.78	2,37,480.30

* Includes RSU reserve



Brainbees Solutions Private Limited

Standalone Statement of Changes in Equity for the year ended March 31, 2021
(All amounts in Rupees lakhs, unless otherwise stated)

B Other equity (continued)

Particulars	Attributable to the owners of the Company					
	Reserves & Surplus			Item of OCI		Total
	Retained earnings	ESOP reserve*	Securities premium	Capital redemption reserve	Remeasurement of the net defined benefit Plans	Total attributable to owners of the Company
Balance as at April 1, 2020	22,955.24	4,984.07	2,09,307.85	0.36	232.78	2,37,480.30
Profit / (Loss) for the year	28,386.69	-	-	-	-	28,386.69
Other comprehensive income (net of tax)	-	-	-	-	(4.07)	(4.07)
Total comprehensive income for the year	28,386.69	-	-	-	(4.07)	28,382.62
Transactions with owners, recorded directly in equity						
Share-based payment*	-	4,581.79	-	-	-	4,581.79
Premium on issue of Series E Equity Shares	-	-	69,457.11	-	-	69,457.11
Premium on issue of Series Equity Shares	-	-	9,474.05	-	-	9,474.05
Buyback of shares during the year	-	-	(3,075.68)	65.50	-	(3,010.18)
Tax on Buyback of shares	(688.54)	-	-	-	-	(688.54)
Total transactions with owners	(688.54)	4,581.79	75,855.48	65.50	-	79,814.23
Balance as at March 31, 2021	50,653.39	9,565.86	2,85,163.33	65.86	228.71	3,45,677.15

* Includes RSU reserve

Summary of significant accounting policies

See accompanying notes forming integral part of these financial statements

2-3

4-39

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm Registration number - 101248W/W-100022

Abhishek

Abhishek

Partner

Membership No. - 062343

Place : Pune

Date : 21 Sept 2021

For and on behalf of the Board of Directors

Brainbees Solutions Private Limited

Supam Maheshwari

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Managing Director

DIN : 01730685

Place : Pune

Date : Sep 21, 2021

Amitava Saha

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Director

DIN : 02655827

Place : Pune

Date : Sep 21, 2021

Samantha Rego

Samantha Rego

Company Secretary

Place : Pune

Date : Sep 21, 2021

Gautam Sharma

Chief Financial Officer

Place : Pune

Date : Sep 21, 2021

Brainbees Solutions Private Limited
Notes forming part of these financial statements
(All amounts in Rupees lakhs, 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 has also ventured into 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 21, 2021. 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 (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, 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. Going concern assumptions

These financial statements have been prepared on a going concern basis. The management has, given the significant uncertainties arising out of the outbreak of COVID 19, as explained in Note 2 (E) of Financial Statements, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of these financial statements. Management believes that the Company will be able to continue as a 'going concern' in the foreseeable future and for a period of at least twelve months from the date of these financial statements based on the following:

- I.Expected future operating cash flows based on business projections, and
- II.Available liquid assets with the company.

Based on the above factors, Management has concluded that the "going concern" assumption is appropriate. Accordingly, the financial statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

E. Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 15 : Classification of Compulsorily Convertible Preference Shares (CCPS) and certain equity shares.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 3(e)(ii) Impairment of goodwill and brand value
- Note 9 Recognition of DTA, availability of future taxable profit against which tax losses carried forward can be used
- Note 33 measurement of defined benefit obligations: key actuarial assumptions;
- Note 36 Fair Value of ESOPs.



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

2 Basis of preparation (continued)

Uncertainties relating to the global health pandemic from COVID 19

The World Health Organisation in February 2020 declared COVID 19 as a pandemic. The pandemic has been rapidly spreading throughout the world, including India. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities. Consequently, the Company's operations also had to be closed down / operate under restrictions for considerable period of time. More recently, the next wave of the pandemic has impacted India and the Company is monitoring the situation closely taking into account directives from the Government.

Management believes that it has taken into account all the possible impacts of known events arising from COVID 19 pandemic and the resultant lockdown in the preparation of the financial statements including the assessment of going concern, recoverable values of its property, plant and equipment and intangible assets and the net realizable values of other assets. However, given the effect of these lockdowns on the overall economic activity in India and the Company's customers, the impact assessment of COVID 19 on the above mentioned financial statement captions is subject to significant estimation uncertainties given its nature and duration and, accordingly, the actual impacts in future may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

F. 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.

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 37 - Fair value measurements
- Note 36 - Share based payment arrangements

G. Current / non-current classification

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

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.



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

2 Basis of preparation (continued)

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.

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

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)

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.

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.

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 investment-by-investment 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.



3 Significant accounting policies (continued)

a. Financial instruments (continued)

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.

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.



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

Significant accounting policies (continued)

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 depreciation and accumulated impairment losses, if any.

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.

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 estimated useful lives of items of property, plant and equipment for the current and comparative periods are 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. Goodwill and other intangible assets

i. Goodwill and brand value

Initial measurement of goodwill and brand value that arises on a business combination is done at fair values. Subsequent measurement is at cost less any accumulated impairment losses.

ii. Customer contracts

The Company recognises an contract value arising on business combination to the extent it has received the customer contract through such business combination. The fair value, at the time of initial recognition of such an intangible asset received as consideration for acquiring these customer contracts through such arrangement, is regarded to be its cost. 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

The Company recognises Intangible for content writing initially at cost. Subsequent measurement is at cost less accumulated amortisation and impairment loss, if any.



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

3 Significant accounting policies (continued)

c. Goodwill and other intangible assets (continued)

iv. Other intangible assets

Other intangible assets including those acquired by the Company in a business combination 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.

vii. Amortisation

Goodwill and brand value 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 depreciation 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.



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

3 Significant accounting policies (continued)

e. Impairment (continued)

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 depreciation 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.



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.

g. 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.

h. Revenue

i. Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

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.

iv. Service income

Service income arising from Brand & Platform (Website) License usage is recognised on an accrual basis and in accordance with the agreement.

v. Rental income

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



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

3 Significant accounting policies (continued)

h. Revenue (continued)

vi. Preschool revenue

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

vii. Income from support services

Income from support services are recognised when the services are performed and recovery of the consideration is certain.

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.

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;

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The Company recognizes a deferred tax asset to the extent that there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

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.



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

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. 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 depreciation, 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.



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

3 Significant accounting policies (continued)

n. Leases (continued)

Transition to Ind AS 116

The Ministry of Corporate Affairs (MCA) notified IND AS 116, the new lease accounting standard on 30 March 2019 and came into force with effect from 01 April 2019. IND AS 116 has replaced the guidance in IND AS 17 "Leases". The effect of initially applying this standard is recognised at date of initial application (i.e. 01 April 2019). Ind AS 116 sets out the principles for the recognition measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has applied IND AS 116 using the modified retrospective approach as per C5(b) of the standard. Accordingly, the company has not restated the comparative information, i.e. comparative information continues to be reported under IND AS 17. Refer note 3 (i) Significant accounting policy the financial statements of the Company for the year ended March 31, 2019 for lease accounting policy as per IND AS 17. The impact of adoption of this accounting standard is disclosed in note 5.

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 Standalone Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Standalone 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.

As a practical expedient, a lessee may elect not to assess whether a COVID 19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID 19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID 19 pandemic and only if all of the following conditions are met:

- (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 Company has applied the practical expedient with effect from April 01, 2020. The Company has accounted the unconditional rent concessions in "Miscellaneous Income" in the Standalone Statement of Profit and Loss.



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

3 Significant accounting policies (continued)

o. Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a business comprises the following:

- fair value of assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is a clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

p. Segment Reporting

The Company primarily operates in trading of baby and kids products which is the only reportable segment.

3.1 Recent Indian Accounting Standards (Ind AS):

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021.

The Company is assessing the impact of these changes and will accordingly incorporate the same for the financial statements for the year ended March 31, 2022.



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)
(All amounts in Rupees lakhs, 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)
Balance at 1 April 2019	473.10	26.68	1,946.26	281.43	614.20	3,341.67	687.01	4,028.68
Additions for the year	68.77	142.74	1,854.75	413.46	430.01	2,909.74	3,527.62	6,437.35
Disposals / transfers during the year	-	-	-	-	-	-	(1,958.63)	(1,958.63)
Balance at 31 March 2020	541.87	169.42	3,801.01	694.89	1,044.21	6,251.41	2,256.00	8,507.41
Balance as at 1 April 2020	541.87	169.42	3,801.01	694.89	1,044.21	6,251.41	2,256.00	8,507.41
Additions for the year	971.06	132.40	2,482.16	136.78	362.81	4,085.21	1,400.76	5,485.97
Disposals / transfers during the year	(16.97)	(11.46)	(674.42)	(28.42)	(24.36)	(755.63)	-	(755.63)
Capitalised / transferred during the year	-	-	-	-	-	-	(3,034.68)	(3,034.68)
Balance as at 31 March 2021	1,495.96	290.36	5,608.75	803.25	1,382.66	9,580.99	622.08	10,203.07
Accumulated Depreciation								
Balance as at 1 April 2019	235.65	12.00	826.67	196.70	419.71	1,690.74	-	1,690.74
Depreciation for the year	121.27	21.44	571.87	102.98	241.14	1,058.69	-	1,058.69
Balance as at 31 March 2020	356.92	33.44	1,398.54	299.68	660.85	2,749.43	-	2,749.43
Balance as at 1 April 2020	356.92	33.44	1,398.54	299.68	660.85	2,749.43	-	2,749.43
Depreciation for the year	255.56	76.16	1,215.64	212.11	340.82	2,100.29	-	2,100.29
Disposals / transfers during the year	(15.97)	(7.25)	(547.29)	(24.10)	(22.87)	(617.48)	-	(617.48)
Balance as at 31 March 2021	596.51	102.35	2,066.89	487.69	978.80	4,232.24	-	4,232.24
Carrying amounts (net)								
Balance as at 31 March 2020	184.96	135.98	2,402.47	395.21	383.36	3,501.97	2,256.00	5,757.97
Balance as at 31 March 2021	899.45	188.01	3,541.86	315.56	403.86	5,348.75	622.08	5,970.83



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

6 Intangible assets

Particulars	Computer software	Brand value	Contract value	Goodwill	Content Writing	Trademark	Platform	Total	Intangible Asset under Development	Total (A+B)
Balance at 1 April 2019	136.05	3,444.10	1,976.50	29,659.08	158.47	-	-	35,374.20	-	35,374.20
Additions for the year	73.80	259.99	0.21	665.59	259.07	-	80.81	1,339.49	62.55	1,402.03
Disposals / transfers during the year	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	209.86	3,704.09	1,976.71	30,324.67	417.54	-	80.81	36,713.69	62.55	36,776.23
Balance as at 1 April 2020	209.86	3,704.09	1,976.71	30,324.67	417.54	-	80.81	36,713.69	62.55	36,776.23
Additions for the year	78.69	-	-	-	151.71	32.26	-	262.66	9.09	271.75
Disposals / transfers during the year	(2.96)	-	-	-	-	-	-	(2.96)	(32.26)	(35.22)
Transfers	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	285.59	3,704.09	1,976.71	30,324.67	569.25	32.26	80.81	36,973.39	39.38	37,012.77
Accumulated amortisation										
Balance at 1 April 2019	98.72	-	1,764.62	-	14.71	-	-	1,878.05	-	1,878.05
Amortisation for the year	59.29	54.95	42.38	-	80.29	-	13.24	250.15	-	250.15
Balance as at 31 March 2020	158.01	54.95	1,807.00	-	95.00	-	13.24	2,128.20	-	2,128.19
Balance at 1 April 2020	158.01	54.95	1,807.00	-	95.00	-	13.24	2,128.20	-	2,128.19
Amortisation for the year	68.28	117.92	42.38	-	147.35	3.23	20.20	399.36	-	399.36
Disposals / transfers during the year	(2.79)	-	-	-	-	-	-	(2.79)	-	(2.79)
Balance as at 31 March 2021	223.50	172.87	1,849.38	-	242.35	3.23	33.44	2,524.77	-	2,524.77
Carrying amounts (net)										
Balance as at 31 March 2020	51.85	3,649.15	169.71	30,324.67	322.54	-	67.55	34,585.49	62.55	34,648.04
Balance as at 31 March 2021	62.09	3,531.22	127.33	30,324.67	326.90	29.03	47.37	34,448.62	39.38	34,488.00



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

5 Right-of-use assets

Effect of Transition

The Company has adopted Ind AS 116 with modified retrospective approach, with effect from April 1, 2019. Accordingly, the comparative periods have not been restated. There is no impact of Ind AS 116 adoption to the retained earnings as at April 1, 2019. The Company has recognized Rs. 2,269.42 lakhs as right of use assets, Rs. 2,194 lakhs as lease liability and Rs. 75.42 lakhs as right of use assets for prepaid rent for security deposit on the date of transition i.e. April 1, 2019. In the financial statements for the year ended March 31, 2020, the nature of expenses in respect of operating leases has changed from lease rent in previous period to amortisation for the right of use asset and finance cost for interest accrued on lease liability. There is no material impact on loss after tax and earnings per share, on adoption of Ind AS 116.

The changes in the carrying value of ROU assets for the year ended March 31, 2021 and year ended March 31, 2020 are as follows:

Particulars	Buildings	Total
Balance as on April 1, 2019	-	-
Reclassified on account of adoption of Ind AS 116	2,269.42	2,269.42
Additions during the year	8,515.58	8,515.58
Deletions during the year	-	-
Depreciation for the year	(2,102.73)	(2,102.73)
Balance as on March 31, 2020	8,682.27	8,682.27
Balance as on April 1, 2020	8,682.27	8,682.27
Additions during the year	9,002.57	9,002.57
Deletions during the year	(519.81)	(519.81)
Depreciation for the year	(3,489.30)	(3,489.30)
Balance as on March 31, 2021	13,675.73	13,675.73

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

The Company incurred Rs. 120.33 Lakhs and Rs. 128.58 lakhs for the years ended March 31, 2021 and 2020, respectively, towards expenses relating to short term leases and leases of low-value assets

The break-up of current and non-current lease liabilities as at March 31, 2021 and March 31, 2020 is as follows:

Particulars	As At March 31, 2021	As At March 31, 2020
Current lease liabilities	2,858.51	2,534.23
Non-current lease liabilities	11,371.68	6,131.67
Total lease liabilities	14,230.19	8,665.90

The movement in lease liabilities during the years ended March 31, 2021 and March 31, 2020 is as follows:

Particulars	As At March 31, 2021	As At March 31, 2020
Opening Balance	8,665.90	-
Additions during the year	8,657.47	10,496.72
Interest Cost accrued during the year	1,231.40	290.90
Rent Concessions during the year (Refer Note 3n)	(364.50)	-
Deletions during the year	(553.03)	-
Payments during the year	(3,407.05)	(2,121.72)
Closing Balance	14,230.19	8,665.90



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

7 Non-current investments

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in equity instruments		
Unquoted - Carried at cost		
Investment in equity instruments of subsidiaries*		
Firstcry Management DWC LLC: 9,40,00,000 (March 31, 2020: 2,50,00,000) equity shares of face value of AED 1 per share	18,921.38	4,896.21
Shenzhen Starbees Services Ltd: Registered Capital Contribution of USD 2,00,000 (March 31, 2020: USD 2,00,000)	186.98	151.98
Intellibeas Solutions Private Limited: 9,999 (March 31, 2020: 9,999) equity shares of face value of Rs. 10 per share	1.00	1.00
Swara Baby Products Private Limited: 6,14,130 (March 31, 2020: Nil) equity shares of face value of Rs. 10 per share **	325.00	-
Firmroots Private Limited: 8,002 (March 31, 2020: Nil) equity shares of face value of Rs. 10 per share #	272.67	-
Solis Hygiene Private Limited: 52,890 (March 31, 2020: Nil) Series A equity shares of face value of Rs. 10 per share, Rs. 5.35 paid-up per share ##	1,997.43	-
Investment in preference shares		
Unquoted - Carried at cost		
Investment in preference shares of subsidiaries		
Swara Baby Products Private Limited: 1,28,48,221 (March 31, 2020: Nil) Series A Compulsorily Convertible Preference Shares of face value of Rs. 10 per share**	8,736.79	-
Firmroots Private Limited: 715 (March 31, 2020: Nil) Seed C Compulsorily Convertible Preference Shares of face value of Rs. 10 per share and 1,00,00,000 (March 31, 2020: Nil) Series A Compulsorily Convertible Preference Shares of face value of Rs. 10 per share #	1,054.23	-
Investment in trusts		
Edubees Educational Trust: Corpus fund contribution	0.10	0.10
Total	31,495.58	5,049.29

* 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 Purchase Agreement dated April 23, 2020 to acquire controlling stake in Swara Baby Products Private Limited ("the Acquiree Company"), a baby care products company through acquisition of Series A CCPS for consideration amounting to Rs. 8,736.79 lakhs, paid in three tranches during the year. The company also acquired an additional 614,130 equity shares for total consideration amounting to Rs. 324.99 lakhs through secondary sale agreement. Consequent to above transactions, Swara Baby Products Private Limited is treated as a subsidiary of the Company in Consolidated Financial Statements.

The Company entered into a Share Purchase Agreement dated December 30, 2020 to acquire controlling stake in Firmroots Private Limited ("the Acquiree Company"), a baby food products company through acquisition of Series A CCPS for consideration amounting to Rs. 1,000 lakhs, The company also entered into several Share Purchase Agreements for acquisition of 8,002 Equity shares and 715 Seed C Shares through secondary sale for the consideration amounting to Rs. 326.90 lakhs. Consequent to above transactions, Firmroots Private Limited is treated as a subsidiary of the Company in Consolidated Financial Statements.

The Company entered into a Share Purchase Agreement dated March 15, 2021 to acquire controlling stake in Solis Hygiene Private Limited ("the Acquiree Company"), a Personal care and hygiene products company through acquisition of Equity Shares for consideration amounting to Rs. 1,997.43 lakhs, Consequent to above transactions, Solis Hygiene Private Limited is treated as a subsidiary of the Company in Consolidated Financial Statements.



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

8 (a) Other non-current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	1,644.95	1,564.62
Bank deposits (maturity more than 12 months)	7,389.59	45,100.63
Total	9,034.54	46,665.25

8 (b) Other current financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Interest accrued on fixed deposits	4,297.89	3,301.10
Other Receivables	2,110.51	-
Total	6,408.40	3,301.10

9 Deferred tax assets (Net)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Property, plant and equipment and Intangibles	6,947.78	-
Employees' benefits	304.70	-
On ROU and Lease Liabilities	237.95	-
Carry forward losses	5,126.77	-
Total	12,617.20	-

Based on management's estimate of future taxable income, the Company has during the year recognised deferred tax assets on the brought forward losses available for utilisation and other deductible temporary differences. In the absence of convincing evidence, the Company had not recognised deferred tax assets during the year ended March 31, 2020.

The expiry dates of the losses are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
2020-21	-	-
2021-22	-	-
2022-23	-	-
2023-24	-	-
2024-25	-	-
2025-26	-	5,052.61
2026-27	-	461.85
2027-28	-	-
Total	-	5,514.46

10 Other tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance income-tax	157.61	477.33
Total	157.61	477.33



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

11 (a) Other non current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Advances	142.90	112.05
Balance with Government authorities		
VAT receivable	130.04	119.70
GST receivable	2,395.14	2,272.17
Total	2,668.08	2,503.92

11 (b) Other current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Advance to employees	64.90	32.26
Prepaid expenses	547.54	43.54
Balance with Government authorities		
GST receivable	787.46	738.99
Advance to suppliers	5,426.66	4,355.80
Receivables from vendors	1,576.50	1,472.32
Other receivables	-	306.70
Total	8,403.06	6,949.61

12 Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Traded goods*	43,198.91	28,454.17
Total	43,198.91	28,454.17

* The write down of inventories to net realisable value amounted to Rs. 48.71 lakhs (March 31, 2020 : Rs. 184.09 lakhs)

13 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good	12,867.76	8,587.29
Total	12,867.76	8,587.29

14 Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash in hand	7.72	7.65
Balances with banks		
In current accounts	11,404.08	1,431.98
In deposit accounts having original maturity less than 3 months	15,300.00	13,196.00
Total	26,711.80	14,635.63



15 Share capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	Amount	Nos	Amount
Authorised				
Equity shares of Rs. 5 each (2020: Rs. 5 each)	8,47,40,000	4,237.00	8,47,40,000	4,237.00
Series A equity shares of Rs. 5 each (2020: Rs. 5 each)	42,000	2.10	42,000	2.10
Series A CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	62,000	3.10	62,000	3.10
Series B CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	3,46,466	17.32	3,46,466	17.32
Series C CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	87,42,660	437.13	87,42,660	437.13
Series C1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	1,75,240	8.76	1,75,240	8.76
Series C2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	31,160	1.56	31,160	1.56
Series D1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	48,87,180	244.36	48,87,180	244.36
Series D2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	56,79,100	283.96	56,79,100	283.96
Option 1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	12,200	0.61	12,200	0.61
Option 2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	28,000	1.40	28,000	1.40
Series E Equity Shares of Rs. 5 each (2020: Rs. 5 each)	7,32,00,000	3,660.00	7,32,00,000	3,660.00
Issued, subscribed and paid up				
Equity shares of Rs. 5 each (2020: Rs. 5 each)	6,96,88,930	3,484.45	6,96,39,860	3,481.99
Series A equity shares of Rs. 5 each (2020: Rs. 5 each)	40,232	2.01	40,232	2.01
Series A CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	28,926	1.45	28,926	1.45
Series B CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	14,702	0.74	14,702	0.74
Series C CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	70,00,360	350.02	70,00,360	350.02
Series C1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	1,75,240	8.76	1,75,240	8.76
Series C2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	31,160	1.56	31,160	1.56
Series D1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	48,87,180	244.36	48,87,180	244.36
Series D2 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	19,35,860	96.79	19,35,860	96.79
Option 1 CCPS (Compulsorily Convertible Preference Shares) of Rs. 5 each (2020: Rs. 5 each)	12,034	0.60	12,034	0.60
Series E Equity Shares of Rs. 5 each (2020: Rs. 5 each, Rs. 3.75 paid-up)	7,31,66,655	3,658.32	-	-
Issued, subscribed and partly paid up				
Series E Equity Shares of Rs. 5 each (2020: Rs. 5 each, Rs. 3.75 paid-up)	-	-	7,31,66,655	2,743.75
	15,69,81,279	7,849.06	15,69,32,209	6,932.03

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	Amount	Nos	Amount
A. Equity Shares				
At the commencement of the year	6,96,39,860	3,481.99	6,96,39,860	3,481.99
Shares issued during the year**	13,58,930	67.95	-	-
Shares extinguished during the year on account of buyback***	(13,09,860)	(65.49)	-	-
At the end of the year	6,96,88,930	3,484.45	6,96,39,860	3,481.99
B. Series A Equity Shares				
At the commencement of the year	40,232	2.01	40,232	2.01
At the end of the year	40,232	2.01	40,232	2.01
C. Series E Equity Shares*				
At the commencement of the year	7,31,66,655	2,743.75	7,31,66,655	1,375.53
Increase in capital amount on account of call money received	-	914.58	-	1,368.22
At the end of the year	7,31,66,655	3,658.33	7,31,66,655	2,743.75
D. Compulsory convertible preference shares (CCPS)				
At the commencement of the year	1,40,85,462	704.27	1,40,85,462	704.27
At the end of the year	1,40,85,462	704.27	1,40,85,462	704.27
Total issued, subscribed and paid up share capital	15,69,81,279	7,849.06	15,69,32,209	6,932.02



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

15 Share capital (continued)

* During the year ended 31 March 2019, the Company issued series E equity shares to SVF Frog (Cayman) Limited of face value Rs. 5/- each at Rs. 386/- with security premium of Rs. 381/- being partly paid up as to face value of Rs. 1.88/- each with security premium of Rs. 143.67/- each.

During the year ended March 31, 2020, the Company has received first call amount towards series E equity shares issued to SVF Frog (Cayman) Limited of face value Rs. 5/- each at Rs. 386/- with security premium of Rs. 381/- being partly paid up as to face value of Rs. 1.87/- each with security premium of Rs. 142.40/- each.

During the year ended March 31, 2021, the Company has received second call amount towards series E equity shares issued to SVF Frog (Cayman) Limited of face value Rs. 5/- each at Rs. 386/- with security premium of Rs. 381/- being partly paid up as to face value of Rs. 1.25/- each with security premium of Rs. 94.93/- each.

**During the year ended March 31, 2021, the Company has issued 13,58,930 equity shares to PI Opportunities Fund – 1 of face value Rs. 5/- each fully-paid up at premium of Rs. 697.17/-.

***The Board of Directors at its meeting held on September 22, 2020, approved a proposal to buy-back upto 13,09,860 equity shares of the Company for an aggregate amount not exceeding Rs. 3,075.68 lakhs, at price of Rs. 234.81 per equity share. The shareholders approved the same on September 30, 2020, by way of a special resolution. A Letter of Offer was made to all eligible shareholders. The Company bought back 13,09,860 equity shares for an aggregate amount of Rs. 3,075.68 lakhs at Rs. 234.81/- per equity share. The equity shares bought back were extinguished on October 15, 2020. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 65.50 lakhs). The excess cost of buy-back of Rs. 3,075.68 lakhs over par value of shares were offset from securities premium and corresponding tax on buy-back of Rs. 688.54 lakhs were offset from retained earnings.

Investor shares shall include the following:

- 1 Series A Equity shares
- 2 Equity shares issued under the Business Transfer Agreement
- 3 Series A CCPS
- 4 Series B CCPS
- 5 Series C CCPS
- 6 Series C1 CCPS
- 7 Series C2 CCPS
- 8 Series D1 CCPS
- 9 Series D2 CCPS
- 10 Equity shares held by investors
- 11 Series E Equity Shares
- 12 Option 1 CCPS

Rights, preferences and restrictions attached to equity shares

The Company has equity shares having a face value of Rs. 5 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.

Rights, preferences and restrictions attached to Series A, Series B, Series C, Series C1, Series C2, Series D1 & D2 Compulsorily Convertible Preference Shares, Series E Equity 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. 5 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.

On March 23, 2017, the Company has split the face value of Series A and Series B CCPS from Rs. 10 per share to Rs. 5 per share. The Company has also issued 189 bonus shares for each share held post share split. During the Previous Financial year ended (FY 2016-17), the shareholders have exercised their right and converted a part of their holdings into Equity shares in accordance with the Shareholder's agreement.



15 Share capital (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. 5 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.

On March 23, 2017, the Company has split the face value of Series C, Series C1 from Rs. 100 per share to Rs. 5 per share and Series C2 CCPS from Rs. 10 per share to Rs. 5 per share. The Company has also issued 18 bonus shares for Series C, Series C1 and 189 bonus shares for Series C2 CCPS. During the Previous Financial year ended (FY 2016-17), Series C shareholders have exercised their right and converted a part of their holdings into Equity shares in accordance with the Shareholder's agreement.

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. 5 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.

On March 23, 2017, the Company has split the face value of Series D1 and Series D2 CCPS from Rs. 100 per share to Rs. 5 per share. The Company has also issued 18 bonus shares for each share held post share split. Further, some of the Series D2 shareholders have exercised their right and converted their holdings into Equity shares in accordance with the Shareholder's agreement.

Option 1 CCPS

The Company has issued Option 1 CCPS (Compulsorily Convertible Preference Shares) during the year, having a face value of Rs. 5 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.

Series E Equity Shares

The Company has issued Series E equity shares during the previous year, having a face value of Rs. 5 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.

Employee stock options/ share purchase plan

Terms attached to stock options granted/ share purchase plan to employees are described in Note 36 regarding share based payments.



15 Share capital (continued)

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos	% of total shares in class	Nos	% of total shares in class
Equity shares				
Mahindra Retail Limited	1,64,46,754	24%	1,82,28,980	26%
SAIF Partners India IV Limited	-	0%	1,58,49,540	23%
NewQuest Asia Investments III Limited	93,28,954	13%	82,89,320	12%
PI Opportunities Fund – 1	81,63,358	12%	-	0%
TPG Growth V SF Markets Pte Ltd.	79,01,087	11%	-	0%
Vertex Asia Fund Pte. Ltd.	-	0%	68,25,180	10%
Apricot Investments Limited	67,28,747	10%	-	0%
NEA FDI III Limited	-	0%	39,73,080	6%
Mr. Amitava Saha	38,62,320	6%	38,62,320	6%
Mr. Supam Maheshwari	37,37,300	5%	37,37,300	5%
Series A equity shares				
SAIF Partners India IV Limited	-	0%	40,232	100%
PI Opportunities Fund – 1	40,232	100%	-	0%
Series A CCPS (Compulsorily Convertible Preference Shares)				
SAIF Partners India IV Limited	-	0%	28,926	100%
PI Opportunities Fund – 1	28,926	100%	-	0%
Series B CCPS (Compulsorily Convertible Preference Shares)				
SAIF Partners India IV Limited	-	0%	14,702	100%
PI Opportunities Fund – 1	14,702	100%	-	0%
Series C CCPS (Compulsorily Convertible Preference Shares)				
Valiant Mauritius Partners FDI Limited	45,61,837	65%	66,67,100	95%
TPG Growth V SF Markets Pte Ltd.	17,11,970	24%	-	0%
PI Opportunities Fund – 1	7,26,553	10%	-	0%
Series C1 CCPS (Compulsorily Convertible Preference Shares)				
NEA FDI III Limited	-	0%	1,75,240	100%
PI Opportunities Fund – 1	1,75,240	100%	-	0%
Series C2 CCPS (Compulsorily Convertible Preference Shares)				
Ratan N Tata	31,160	100%	31,160	100%
Series D1 CCPS (Compulsorily Convertible Preference Shares)				
Mahindra Engineering and Chemical Products Limited	48,87,180	100%	48,87,180	100%
Series D2 CCPS (Compulsorily Convertible Preference Shares)				
Valiant Mauritius Partners FDI Limited	16,22,600	84%	16,22,600	84%
Pratithi Investment Trust	1,35,280	7%	1,35,280	7%
Option 1 CCPS (Compulsorily Convertible Preference Shares)				
Brainbees Employee Welfare Trust	12,034	100%	12,034	100%
Series E Equity Shares				
SVF Frog (Cayman) Limited	7,31,66,655	100%	7,31,66,655	100%

Aggregate number of shares issued for a consideration other than cash during the period of five years immediately preceding the reporting date

- During the year ended 31 March 2017, 47,971 equity shares of Rs. 10 each, fully paid up were issued to Mahindra Retail Limited and allotted at Rs. 73,919 per share in accordance with the Business Transfer Agreement dated October 15, 2016.

- During the year ended 31 March 2017, 63,991,530 equity shares of Rs. 5 each and 18,252,396 CCPS of Rs. 5 each, fully paid up were allotted as bonus shares.



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

16 Other equity

Particulars	As at March 31, 2021	As at March 31, 2020
Securities premium	2,85,163.33	2,09,307.85
Capital redemption reserve	65.86	0.36
Shares options outstanding account	9,565.86	4,984.07
Retained earnings	50,882.10	23,188.02
Total	3,45,677.15	2,37,480.30

(i) Securities premium

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	2,09,307.85	1,05,118.53
Premium on issue of Series E Equity Shares	69,457.11	1,04,189.32
Premium on issue of Equity Shares	9,474.05	-
Premium paid on buyback of shares	(3,075.68)	-
Closing balance	2,85,163.33	2,09,307.85

(ii) Capital redemption reserve

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	0.36	0.36
Addition on account of Buyback of shares	65.50	-
Closing balance	65.86	0.36

(iii) Shares options outstanding account

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	4,984.07	2,646.06
Share based payment expense*	4,581.79	2,338.01
Closing balance	9,565.86	4,984.07

* Includes cost of options granted to employees of wholly owned subsidiaries, which is included in the investments in Note 7, amounting to Rs. 143.18 lakhs (March 31, 2020: Rs 24.18 lakhs)



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

16 Other equity (continued)

(iv) Retained earnings

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	23,188.02	39,405.79
Net Profit / (loss) for the year	28,386.69	(16,272.98)
Tax on buy back of shares	(688.54)	-
Remeasurement of post employment benefit obligations	(4.07)	55.21
Closing balance	50,882.10	23,188.02

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 and RSU Plan.



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

18 (a) Other financial liabilities - non-current

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	43.82	43.82
Total	43.82	43.82

18 (b) Other financial liabilities - current

Particulars	As at March 31, 2021	As at March 31, 2020
Accrued employee liabilities	432.31	366.31
Payables for property, plant and equipment	401.76	1,605.54
Other Payable	0.61	17.40
Total	834.68	1,989.25

19 (a) Non-current provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Provision for compensated absences	319.58	173.64
Provision for gratuity	658.38	460.37
Total	977.96	634.01

19 (b) Current provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits		
Provision for compensated absences	109.05	64.32
Provision for gratuity	123.57	83.64
Total	232.62	147.96



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

20 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro and small enterprises (Refer Note: 32)	331.68	994.04
Total outstanding dues of creditors other than micro and small enterprises	24,084.97	16,218.31
Total	24,416.65	17,212.35

21 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
GST / Sales tax Payable	11.90	6.28
TDS payable	1,154.83	260.71
PF, PT Payable	74.53	56.83
Advance from customers	2,133.64	1,679.26
Total	3,374.90	2,003.08



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

22 Revenue from operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products		
Sale of products (traded goods)	1,26,139.71	77,086.98
Total (A)	1,26,139.71	77,086.98
Other operating revenue		
Internet display charges	3,704.20	3,259.52
Royalty income	860.59	18.35
Service income	150.75	165.73
Sale of student kits	73.24	19.00
Total (B)	4,788.78	3,462.60
Revenue from operations (A+B)	1,30,928.49	80,549.58

Reconciliation of revenue as recognized in the Statement of Profit & Loss with the contracted price

Particulars	March 31, 2021	March 31, 2020
Contract Price	1,31,272.57	80,507.48
Revenue recognized in the period from:		
Revenue recognized in the current year from contract liability:		
Advance from Customer	1,113.15	1,167.83
Reward Point	58.16	45.59
Revenue deferred in the current year towards unsatisfied performance obligation:		
Advance from Customer	(1,490.17)	(1,113.15)
Reward Point	(25.22)	(58.16)
Revenue from operations for the year ended	1,30,928.49	80,549.58

Refer accounting policy 2(h) for satisfaction of performance obligation and when the revenue is recognised.

23 Other income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income :		
On fixed deposits with banks	10,118.42	7,550.82
On others	102.72	92.30
Income from support services	2,130.66	-
Lease rentals	227.74	198.08
Miscellaneous income	875.63	362.07
Total	13,455.17	8,203.27

24 Changes in inventories of traded goods

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening stock of traded goods	28,454.17	18,924.40
Closing stock of traded goods	43,198.91	28,454.17
Total	(14,744.74)	(9,529.77)



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

25 Employee benefits expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, wages, bonus and other allowances	13,435.58	7,933.27
Contributions to provident and other funds	376.39	308.68
Staff welfare expenses	331.11	138.96
Employee share based payment expense	4,438.61	2,313.38
Total	18,581.69	10,694.29

26 Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Other borrowing costs	1,237.28	295.84
Total	1,237.28	295.84

27 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation on property, plant and equipment	2,100.29	1,058.69
Amortisation of right of use assets	3,489.30	2,102.73
Amortisation of intangible assets	399.36	250.15
Total	5,988.95	3,411.57

28 Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Subcontractor expenses	2,965.72	3,114.98
Packing expenses	421.14	412.33
Courier expenses	2,125.95	1,627.32
Power and fuel	440.96	428.81
Rent	120.33	129.58
Repairs and maintenance	199.92	132.16
Insurance	80.96	60.00
Rates and taxes	50.75	50.35
Travelling and conveyance	540.07	646.71
Legal and professional expenses	1,049.38	584.92
Advertising and sales promotion expenses	10,238.30	16,715.79
Telephone and internet charges	1,222.23	851.25
Printing and stationary	19.01	17.81
Payments to auditor*	18.00	14.00
Miscellaneous expenses	196.21	168.46
Total	19,688.93	24,954.47

*** Payments to auditors**

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As auditor		
Statutory audit	17.00	13.00
Tax audit	1.00	1.00
Total	18.00	14.00



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

29 Income tax

A Amounts recognised are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Amount recognised during the year	12,615.83	-
Deferred tax income/ (expense) recognised in profit and loss	1.37	-
Deferred Tax income/ (expense) recognised in OCI		-
Total	12,617.20	-

B Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit before tax	15,770.86	(16,298.03)
Tax using the Company's domestic tax rate @25.17%	3,969.52	(5,084.99)
Disallowance under section 37 of the Income Tax Act, 1961	2,568.69	-
Provision for gratuity and leave encashment	106.51	-
Ind AS 116 related adjustments	200.66	-
Depreciation (net of books and tax)	(1,805.19)	-
Utilisation of previously unrecognised tax losses to the extent of available profits	(5,040.19)	-
Non-Deductible Expenses	-	(66.97)
Current year losses for which no deferred tax asset was recognised	-	5,151.95
Total	-	-

30 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, 2021	For the year ended March 31, 2020
Profit/(Loss) attributable to equity shareholders (A)	28,386.69	(16,272.98)
Weighted average number of equity shares for calculation of Basic EPS (B)	12,77,29,231	10,26,92,887
Basic EPS (A/B)	22.22	(15.85)
Weighted average number of equity shares outstanding	12,77,29,231	10,26,92,887
Weighted average number of potential equity shares*	2,34,24,696	2,17,17,096
Weighted average number of equity shares for calculation of Diluted EPS (C)	15,11,53,927	12,44,09,983
Diluted EPS (A/C)	18.78	(15.85)

* Potential equity shares have not been considered in the calculation of diluted loss per share for the year March 31, 2020, since these would decrease the loss per share, hence considered "anti-dilutive".



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

31 Contingent liabilities and commitments

A Contingent liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Income tax matters (see note (ia), (ib), (ic), (id) and (ie) below)	-	-
Central sales tax and VAT matters (See Note (ii) below)	-	-
Central sales tax liability pending collection of 'C Forms' from registered dealers	33.56	97.64
Total	33.56	97.64

Notes

- i. a) For the assessment year 2014-15, the Company has received a penalty notice, for a gross amount of INR 1,355.53 Lakhs. Out of INR 1,355.53 Lakhs, additions amounting to INR 1,355.05 Lakhs, made by Assessing Officer were concluded by Commissioner of Income Tax (Appeals) in favour of the Company. Thus, the Company has filed the necessary submission to the Income tax officer and the case is ongoing.
- b) For the assessment year 2015-16, the Company has received a penalty notice, for a gross amount of INR 1,327.82 Lakhs. This total addition amounting to INR 1,327.82 Lakhs made by Assessing Officer were concluded by Commissioner of Income Tax (Appeals) in favour of the Company. Thus, the Company has filed the necessary submission to the Income tax officer and the case is ongoing.
- c) For the assessment year 2016-17, the Company has received assessment order from Income Tax Officer under Section 274 read with Section 271 (1) (c) of the Income Tax Act, 1961. The Assessing Officer has added back certain expenses to the taxable income and accordingly, reduced the brought forward losses to that extent (INR 427.09 Lakhs for AY 2016-17). The Company has filed an appeal with Commissioner of Income Tax (Appeals).
- d) 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 INR 163.45 Lakhs (including interest). The Company has filed appeals against such tax demand to Commissioner of Income Tax (Appeals) by paying an amount of INR 25.30 Lakhs as protest money. The Company do not anticipates any financial liability as the similar additions made was in favor of assesses/companies in other jurisdiction.
- e) For the assessment year 2016-17, re-assessment proceedings in relation to above same transaction has been initiated by the Income Tax department under section 148. The Company has submitted the responses against the same and the proceedings are ongoing as on date. The Company do not anticipates any financial liability as the similar additions made was in favor of assesses/companies in other jurisdiction.

For the above mentioned Assessment years, there is no tax demand even after disallowances of the aforementioned expenses.



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

31 Contingent liabilities and commitments (continued)

f) The Company has received assessment order for AY 2017-18 from Income Tax Officer under Section 274 read with Section 271 (1) (c) of the Income Tax Act, 1961. The Assessing Officer has added back certain expenses to the taxable income and accordingly, reduced the brought forward losses to that extent (INR 820.10 Lakhs for AY 2017-18). The Company has filed an appeal with Commissioner of Income Tax (Appeals).

For the above mentioned Assessment years, there is no tax demand even after disallowances of the aforementioned expenses.

ii a) For FY 2015-16, the Company has received tax demand of INR 220.44 Lakhs from Maharashtra VAT authorities and Central Sales tax authorities. The said demand is inclusive of interest of INR 116.65 Lakhs. Against this tax demand, the Company has paid amount of INR 10.34 Lakhs as protest and has an appeal to Joint Commissioner of Sales Tax.

b) For FY 2016-17, demand from Maharashtra VAT authorities for payment of tax of INR 0.24 Lakhs and demand from Central Sales tax (CST) authorities for payment of tax of INR 37.00 Lakhs was raised upon completion of their assessment. The Company is in process of filling the appeal to the department against the tax demand order.

iii There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated 28th February, 2019, relating to the employer's contribution of provident fund under the Employees' Provident Funds and Miscellaneous Provident Act, 1952. The Company has also obtained a legal opinion on the matter and basis the same the company has assessed and implemented the recent SC judgement prospectively from March 2019 onwards. The Company would record any further effect on its financial statements, on receiving additional clarity from the relevant authorities on the subject.

B Commitments

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

Particulars	As at March 31, 2021	As at March 31, 2020
Tangible assets	756.69	745.24
Total	756.69	745.24



Brainbees Solutions Private Limited**Notes forming part of these standalone financial statements (continued)****(All amounts in Rupees lakhs, unless otherwise stated)****32 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, 2021	As at March 31, 2020
a) Principal amount payable to suppliers as at year end	331.68	994.04
b) Interest due thereon as at year end *	-	-
c) Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which interest relates	-	-
d) Amount of delayed payments actually made to suppliers during the year	2,268.37	549.12
e) Amount of interest due and payable for the year of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding interest specified under the MSMED Act *	16.21	1.65
f) Interest accrued and remaining unpaid at the end of the year*	16.21	1.65
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 *	26.79	10.58

* 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.



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

33 Assets and liabilities relating to employee benefits

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity	781.95	544.01
Non-current	658.38	460.37
Current	123.57	83.64

For details about the related employee benefit expenses, see Note 25.

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. 376.39 lakhs (March 31, 2020 Rs. 308.68 lakhs).

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.

The Company also has a defined benefit plan for compensated absences (Plan B).

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, 2021	As at March 31, 2020
Balance at the beginning of the year	544.01	341.14
Benefits paid	(8.17)	(9.18)
Current service cost	209.36	94.80
Interest cost	31.32	23.94
Transfer in #	-	13.06
Past service cost	-	-
Actuarial (gains) losses recognised in other comprehensive income	-	-
- changes in demographic assumptions	-	-
- changes in financial assumptions	7.15	28.43
- experience adjustments	(1.71)	51.82
Balance at the end of the year	781.95	544.01

- 24 employees have been transferred in from group companies during the year ended March 31, 2020.

b) Amounts to be recognised in Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of obligation at the end of period	781.95	544.01
Fair value of the plan assets at the end of period	-	-
Surplus / (Deficit)	(781.95)	(544.01)
Current liability	(123.57)	(83.64)
Non-current liability	(658.38)	(460.37)
Amount not recognised due to asset ceiling	-	-
Net asset / (liability) recognised in Balance Sheet	(781.95)	(544.01)



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

33 Assets and liabilities relating to employee benefits (continued)

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

Particulars	As at March 31, 2021	As at March 31, 2020
Service cost	209.36	94.80
Net interest (income)/ expense	31.32	23.94
Transfer in	-	13.06
Expense to be recognised in Statement of Profit and Loss	240.68	131.80

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

Particulars	As at March 31, 2021	As at March 31, 2020
Remeasurement for the year - obligation (Gain) / Loss	5.44	80.25
Remeasurement for the year - plan asset (Gain) / Loss	-	-
Total Remeasurements Cost / (Credit) for the year recognised in OCI	5.44	(80.25)

C. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	As at March 31, 2021	As at March 31, 2020
Plan A		
Discount rate	5.60%	5.80%
Future salary growth	15% for the 1st year and 12% thereafter	15% for the 1st year and 12% 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

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Plan A				
Discount rate (1% movement)	747.39	819.66	520.12	570.04
Future salary growth (1% movement)	806.38	758.55	560.71	527.99
Attrition rate (1% movement)	772.34	792.24	537.78	550.67

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.



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

34 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

Other Direct subsidiaries

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

Step down subsidiaries

- 1 Firstcry Retail DWC - LLC
- 2 Firstcry Trading Company

Step down joint venture

- 1 Firstcry General Trading LLC

Other Entities where control exists

- 1 Edubees Educational Trust
- 2 Brainbees Employee Welfare Trust

B) Other Related Parties with whom transactions have taken place during the year:

i. Shareholders having significant influence

- 1 SVF Frog (Cayman) Limited
- 2 Mahindra Retail Limited

ii. Key management personnel

- 1 Mr. Supam Maheshwari - Managing Director
- 2 Mr. Gautam Sharma - Chief Financial Officer
- 3 Ms. Samantha Rego - Company Secretary



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

34 Related party transactions (continued)

I Transactions with related parties

Particulars	As at March 31, 2021	As at March 31, 2020
Wholly owned subsidiaries		
Firstcry Management DWC LLC		
A) Service charge income	-	19.18
B) Investment made	13,917.00	4,881.50
C) Share based payments (included in Investments as per Note:7)	85.92	5.85
Shenzhen Starbees Services Ltd		
A) Professional fees paid	395.25	174.66
B) Investment made	-	142.06
C) Share based payments (included in Investments as per Note:7)	35.00	9.92
Step down subsidiaries and other entities		
Firstcry Retail DWC - LLC		
A) Sale of trading goods	1,607.77	540.58
B) Service Income	647.56	372.45
C) Cost charge back	-	105.55
D) Share based payments (included in Investments as per Note:7)	22.26	8.86
E) Royalty Income	653.35	-
Edubees Educational Trust		
A) Security Deposit Paid	-	250.00
B) Royalty income	28.01	12.62
C) Sale of student kits	18.22	2.74
D) Miscellaneous expenses paid	-	1.12
E) Corpus fund contribution	-	0.10
Firmroots Private Limited		
A) Purchase of Traded Goods	0.09	-
B) Investment Made	1,000.00	-
Swara Baby Products Private Limited		
A) Purchase of Traded Goods	3,054.82	-
B) Investment Made	8,736.79	-
Solis Hygiene Private Limited		
A) Investment Made	1,997.43	-
Shareholders exercising significant influence		
Managerial Remuneration *		
Mr. Supam Maheshwari**	2,381.43	2,018.84
Salaries and allowances *		
Mr. Gautam Sharma**	635.42	187.75
Mrs. Devika Sharma***	-	2.71
Ms. Samantha Rego **	29.40	8.29
Mahindra Retail Limited		
A) Purchase of trading goods	-	12.76
B) Sale of trading goods	209.44	4,753.87
SVF Frog (Cayman) Limited		
Issue of Series E Equity (Called up capital + Securities premium)	70,371.69	1,05,557.53

*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 RSU/Share based payments accrual

*** Devika Sharma, Company Secretary left the organisation on 12 Aug, 2019 and Samantha Rego, joined the Company as Company Secretary on 01 Aug, 2019.



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

II Outstanding balances with related parties

Particulars	As at March 31, 2021	As at March 31, 2020
Firstcry Management DWC LLC		
Receivable for service charge	-	19.18
Shenzhen Starbees Services Ltd		
Payable for professional services	110.76	74.77
Firstcry Retail DWC - LLC		
Receivable for sale of goods	367.35	241.37
Receivable for Service charge	969.40	372.45
Receivable for cost charge back	105.55	105.55
Receivable for Royalty Income	653.35	-
Edubees Educational Trust		
Receivable towards security deposit	250.00	250.00
Receivable towards sale of services and goods	74.19	18.10
Receivable towards other advances paid	-	1.12
Firmroots Private Limited		
Receivable towards sale of services	5.90	
Swara Baby Products Private Limited		
Advance given towards purchase of goods	27.07	
Mahindra Retail Limited		
Receivable/(Payable) for sale of goods	(131.42)	299.47

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



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

(All amounts in Rupees lakhs, unless otherwise stated)

35 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, 2021			As at March 31, 2020		
	Within India	Outside India	Total	Within India	Outside India	Total
Net sales to external customer by geographic area by location of customer	1,28,048.88	2,879.61	1,30,928.49	79,759.15	790.43	80,549.58

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

36 Share based payments

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

A. Description of share-based payment arrangements

As at March 31, 2021, the Company has the following share-based payment arrangements:

Share option plans/RSU (equity-settled)

On March 31, 2011, 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 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 Restricted Stock Unit (RSU) plans that entitle the employees to purchase shares in the Company. Under this plan, holders of vested options are entitled to purchase shares at INR 5 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 (ESOP)	1,63,780
Grant 2 (ESOP)	2,55,360
Grant 3 (ESOP)	2,48,140
Grant 4 (ESOP)	6,99,200
Grant 5 (ESOP)	1,00,700
Grant 6 (ESOP)	11,400
Grant 7 (ESOP)	1,14,000
Grant 8 (ESOP)	5,54,950
Grant 9 (RSU)	8,75,664
Grant 10 (ESOP)	82,040
Grant 11 (ESOP)	4,68,084
Grant 12 (RSU)	11,86,984
Total share options	47,60,302

B. Measurement of fair values**Equity-settled share-based payment arrangements**

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

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



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

36 Share based payments (continued)

B. Measurement of fair values (continued)

As at March 31, 2021

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Fair value at grant date	23.23	62.71	83.58	186.00	186.00
Share price at grant date	23.23	62.71	83.58	186.00	186.00
Exercise price	5.81	15.68	20.89	18.60	18.60
Expected volatility (weighted average volatility)	251%	251%	251%	251%	251%
Expected life (expected weighted average Life)	-	-	-	-	-
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.81%	8.81%	8.81%	8.81%	8.81%

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Fair value at grant date	234.37	235.00	235.00	392.98	392.98
Share price at grant date	234.37	235.00	235.00	392.98	392.98
Exercise price	23.44	23.50	23.50	5.00	38.60
Expected volatility (weighted average volatility)	251%	251%	251%	112%	112%
Expected life (expected weighted average Life)	-	0.93 Years	2 Years	2 Years	3 Years
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
Fair value at grant date	392.98	392.98
Share price at grant date	392.98	392.98
Exercise price	38.60	5.00
Expected volatility (weighted average volatility)	112%	112%
Expected life (expected weighted average Life)	3 Years	3 Years
Expected dividends	-	-
Risk-free interest rate (based on government bonds)	6.60%	6.60%

As at March 31, 2020

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Fair value at grant date	23.23	62.71	83.58	186.00	186.00
Share price at grant date	23.23	62.71	83.58	186.00	186.00
Exercise price	5.81	15.68	20.89	18.60	18.60
Expected volatility (weighted average volatility)	251%	251%	251%	251%	251%
Expected life (expected weighted average Life)	-	-	-	-	0.41 Years
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.81%	8.81%	8.81%	8.81%	8.81%

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Fair value at grant date	234.37	235.00	235.00	392.98	392.98
Share price at grant date	234.37	235.00	235.00	392.98	392.98
Exercise price	23.44	23.50	23.50	5.00	38.60
Expected volatility (weighted average volatility)	251%	251%	251%	112%	112%
Expected life (expected weighted average Life)	0.86 Years	1.68 Years	2.10 Years	3.00 Years	3.68 Years
Expected dividends	-	-	-	-	-
Risk-free interest rate (based on government bonds)	8.81%	8.81%	8.81%	6.60%	6.60%



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

(All amounts in Rupees lakhs, unless otherwise stated)

C. Reconciliation of outstanding share options/RSU

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

As at March 31, 2021

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Outstanding at April 1, 2020	1,63,780	2,55,360	2,48,140	7,03,950	1,00,700
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	(4,750)	-
Exercised during the period	-	-	-	-	-
Outstanding at March 31, 2021	1,63,780	2,55,360	2,48,140	6,99,200	1,00,700
Exercisable at March 31, 2021	1,63,780	2,55,360	2,48,140	6,99,200	1,00,700

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Outstanding at April 1, 2020	11,400	1,20,650	5,61,600	8,75,664	82,040
Granted during the period	-	-	-	-	-
Forfeited during the period	-	(6,650)	(6,650)	-	-
Exercised during the period	-	-	-	-	-
Outstanding at March 31, 2021	11,400	1,14,000	5,54,950	8,75,664	82,040
Exercisable at March 31, 2021	11,400	87,875	2,77,950	4,37,832	20,510

Particulars	Grant 11	Grant 12
Outstanding at 1 April 2020	-	-
Granted during the period	4,68,084	11,86,984
Forfeited during the period	(16,700)	(24,000)
Exercised during the period	-	-
Outstanding at 31 March 2021	4,51,384	11,62,984
Exercisable at 31 March 2021	1,12,846	2,90,746

As at March 31, 2020

Particulars	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5
Outstanding at April 1, 2019	1,63,780	2,55,360	2,48,140	7,06,800	1,00,700
Granted during the period	-	-	-	-	-
Forfeited during the period	-	-	-	(2,850)	-
Exercised during the period	-	-	-	-	-
Outstanding at 31 March 2020	1,63,780	2,55,360	2,48,140	7,03,950	1,00,700
Exercisable at March 31, 2020	1,63,780	2,55,360	2,48,140	7,03,950	75,525

Particulars	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
Outstanding at April 1, 2019	11,400	1,33,475	5,61,600	-	-
Granted during the period	-	-	-	8,75,664	82,040
Forfeited during the period	-	(12,825)	-	-	-
Exercised during the period	-	-	-	-	-
Outstanding at 31 March 2020	11,400	1,20,650	5,61,600	8,75,664	82,040
Exercisable at March 31, 2020	8,550	63,413	1,26,150	2,18,916	-

Weighted average exercise price for:

Particulars	March 31, 2021	March 31, 2020
Opening balance	15.67	19.15
Granted during the period	14.50	7.87
Forfeited during the period	19.84	22.61
Exercised during the period	-	-
Closing Balance	15.21	15.67
Options Exercisable	15.77	16.30

D. Expense recognised in Statement of Profit and Loss

For details on the employee benefits expense, see Note 25.



Brainbees Solutions Private Limited

Notes forming part of these standalone financial statements (continued)

(All amounts in Rupees lakhs, unless otherwise stated)

37 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, 2021

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Investments	31,495.58	-	-	-
Security deposits	1,644.95	-	-	-
Bank deposits	7,389.59	-	-	-
Trade receivables	12,867.76	-	-	-
Cash and cash equivalents	26,711.80	-	-	-
Other bank balances	1,89,939.53	-	-	-
Other financial assets	4,297.89	-	-	-
Total financial assets	2,74,347.10	-	-	-
Financial liabilities at amortised cost				
Lease Liabilities	14,230.19	-	-	-
Trade payables	24,416.65	-	-	-
Other non-current financial liabilities	43.82	-	-	-
Other current financial liabilities	834.68	-	-	-
Total financial liabilities	39,525.34	-	-	-

As at March 31, 2020

Particulars	Carrying amount	Fair value		
		Level 1	Level 2	Level 3
Financial assets at amortised cost				
Investments	5,049.29	-	-	-
Security deposits	1,564.62	-	-	-
Bank deposits	45,100.63	-	-	-
Trade receivables	8,587.29	-	-	-
Cash and cash equivalents	14,635.63	-	-	-
Other bank balances	1,09,396.84	-	-	-
Other financial assets	3,301.10	-	-	-
Total financial assets	1,87,635.40	-	-	-
Financial liabilities at amortised cost				
Lease Liabilities	8,665.90	-	-	-
Trade payables	17,212.35	-	-	-
Other non-current financial liabilities	43.82	-	-	-
Other current financial liabilities	1,989.25	-	-	-
Total financial liabilities	27,911.32	-	-	-



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

(All amounts in Rupees lakhs, unless otherwise stated)

38 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 counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers apart from its financing activities including deposits with banks and other financial instruments. The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables and security deposits

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.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

The trade receivables are subject to low credit risk since the counterparty has strong capacity to meet the obligations and where the risk of default is negligible or nil based on the Company's past experience. Hence, no provision has been created for Expected credit loss for credit risk arising from these financial assets.

Deposits with banks

For banks and financial institutions, only high rated banks/institutions are accepted.

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, 2021

Particulars	Carrying amount	Contractual cash flows		
		Less than 1 year	1- 3 years	More than 3 years
Trade payables	24,416.65	24,416.65	-	-
Lease liabilities	14,230.19	4,154.61	8,177.74	5,668.00
Other financial liabilities	878.50	878.50	-	-

As at March 31, 2020

Particulars	Carrying amount	Contractual cash flows		
		Less than 1 year	1- 3 years	More than 3 years
Trade payables	17,212.35	17,212.35	-	-
Lease liabilities	8,665.90	2,530.57	6,850.07	1,371.93
Other financial liabilities	2,033.07	2,033.07	-	-



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

(All amounts in Rupees lakhs, unless otherwise stated)

38 Financial instruments - Risk management (Continued)**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.

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, 2021		As at March 31, 2020	
	Foreign currency	Rupees	Foreign currency	Rupees
Payable - USD	(1.93)	(141.67)	(1.11)	(83.64)
Payable - EURO	(0.74)	(63.41)	(0.50)	(41.71)
Receivable - USD	34.97	2,560.89	3.99	298.55
Total		2,355.81		173.20

Interest rate risk

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

39 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 'adjusted net debt' 'adjusted net equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Adjusted equity comprises all components of equity.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration number - 101248W/W-100022

Abhishek

Abhishek
Partner
Membership No. - 062343
Place : Pune
Date : 21 Sept 2021

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

Supam Maheshwari

Supam Maheshwari
Managing Director
DIN : 01730685
Place : Pune
Date : Sep 21, 2021

Gautam Sharma

Gautam Sharma
Chief Financial Officer
Place : Pune
Date : Sep 21, 2021

Amitava Saha

Amitava Saha
Director
DIN : 02655827
Place : Pune
Date : Sep 21, 2021

Samantha Rego

Samantha Rego
Company Secretary
Place : Pune
Date : Sep 21, 2021