

Independent Auditor's Report

To The Members of SBUYS E-Commerce Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SBUYS E-Commerce Limited** (hereinafter referred to as "the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the **profit** and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

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

When we read the annual report, if, we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate



accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Change in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a)The Management has represented that, to the best of its knowledge and belief, as disclosed in Note no.28 to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b)The Management has represented, that, to the best of its knowledge and belief, as disclosed in Note no.28 to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c)Based on such audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) & (b) above, contain any material misstatement.
 - v. No dividend has been declared and paid by the Company during the year which is in compliance with section 123 of the Act



- vi. Proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable for the Company w.e.f. April 1, 2023 and accordingly reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

3. With respect to the matter to be included in the Auditors' report under Section 197(16):

In our opinion and according to the information and explanations given to us, since no remuneration has been paid by the Company to its directors during the period, therefore the provisions of section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For B.R. Gupta & Co.

Chartered Accountants,

Firm's Registration Number 008352N

(Deepak Agarwal)

Partner

Membership Number 073696

UDIN: 23073696 B0WVKV 6870



Place of Signature: New Delhi

Date: May 15, 2023

Annexure 'A' To the Independent Auditors' Report of even date on the financial statements of SBUYS E-Commerce Limited

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2023, we report that:

- i) In respect of Property, plant, equipment and Intangible Assets
 - a) (A) The Company doesn't have any property, plant and equipment. However, the Company has right of use asset for which Company has maintained proper records showing full particulars of Right of Use Asset.
(B) The Company does not have intangible Assets. Hence, paragraph 3(i)(a)(B) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
 - b) The Company has a program to verify Right of use asset at reasonable interval which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification. However, at year end, the Company does not have any Right of use assets.
 - c) The Company does not hold any immovable property. Hence, paragraph 3(i)(c) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.
 - d) According to the records examined by us, the Company has not revalued its Right of Use asset during the year. Accordingly, the provisions of clause 3(i) (d) of the Order are not applicable.
 - e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.
- ii) The Company does not hold any inventory. Therefore, the provisions of paragraph 3(ii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- iii) According to the information and explanation given to us, the Company had not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured, to companies, firms secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of paragraph 3(iii) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- iv) According to the information and explanation given to us, the Company has no loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(iv) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.
- vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2016 dated July 14, 2016 to the current operations carried out by the Company. Accordingly, the provisions of paragraph 3(vi) of the Companies (Auditor's Report) Order, 2020 are not applicable to the Company.
- vii) In respect to statutory dues:
 - a) The Company is generally regular in depositing undisputed statutory dues including, Income Tax, Goods and Service Tax (GST), Cess and any other material statutory dues applicable to it with the appropriate authorities. The provisions of Employees' State Insurance, duty of Customs and duty of Excise are not applicable to the Company. There were no undisputed amounts payable in respect of, Income Tax, GST, Cess and any other



material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues of Statutory Liability which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and the records examined by us, there are no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- ix) In respect of loans or other borrowings taken by the Company, according to the information and explanations given to us and audit procedures performed by us:
- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there is no unutilized term loans at the beginning of the year and hence, reporting under clause 3 (ix) (c) of the order is not applicable.
- d) No funds raised on short-term basis have been used for long-term purposes by the Company.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix) (e) of the Order are not applicable.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures. Accordingly, the provisions of clause 3(ix) (f) of the Order are not applicable.
- x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Therefore, the provisions of paragraph 3(x) of the Order are not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or debentures (Fully, partially or Optionally Convertible) during the year. Accordingly, the provisions of paragraph 3(x) of the Order are not applicable to the Company.
- xi)
- a) As per the information and explanations given to us on our enquiries on this behalf, no fraud of material significance on or by the Company has been noticed or reported during the year.
- b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed during the year and upto the date of this report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company; accordingly, provisions of paragraph 3 (xii) of the Order are not applicable to the Company.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013, where applicable, and the details of such transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards. Further the provisions of section 177 of the Act are not applicable to the Company.
- xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of Section 138 of Companies Act 2013; accordingly, paragraph 3 (xiv) of the Order is not applicable.



- xv) According to the information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with the directors or persons connected with its directors and hence provision of section 192 of the Companies Act 2013 are not applicable to the company.
- xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) to (c) of the order are not applicable.
- b) According to the information and explanations given to us, there are no core investment company (CIC) within the group (as defined in core investment companies (Reserve Bank) Direction, 2016). Accordingly, provision of clause 3(xvi)(d) of the order are not applicable
- xvii) According to the information and explanations given to us, the Company has not incurred any cash losses in the current financial year and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, provisions of clause 3 (xviii) of the Order are not applicable
- xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The provision of section 135 of Companies Act are not applicable to the Company, accordingly the provision of clause (xx)(a) & (b) of the order are not applicable to the Company.

For B.R. Gupta & Co.

Chartered Accountants,

Firm's Registration Number 008352N

(Deepak Agarwal)

Partner

Membership Number 073696

UDIN: 23073696 B6WUKV 1870

Place of Signature: New Delhi

Date: May 15, 2023



Annexure 'B' to the Independent Auditors' Report of even date on the financial statement of SBUYS E-Commerce Limited

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

We have audited the internal financial controls with reference to financial statements of **SBUYS E-Commerce Limited ("the Company")** as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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



Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B.R. Gupta & Co.

Chartered Accountants,
Firm's Registration Number 008352N

(Deepak Agarwal)

Partner

Membership Number 073696

UDIN: 23073696 B6WVKV 6870



Place of Signature: New Delhi

Date: May 15, 2023

SBUYS E-Commerce Limited

Balance Sheet as at March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Particulars	Note No.	As March 31, 2023	At March 31, 2022
I. Assets			
Non-current assets			
(a) Property, plant and equipment	4	-	-
(b) Right of use assets	5	-	39.50
Current assets			
(a) Financial assets			
(i) Trade Receivables	6	97.88	125.45
(ii) Cash and cash equivalents	7	156.22	11.89
(b) Other current assets	8	0.22	7.17
Total current assets		254.32	144.52
Total assets		254.32	184.02
II. Equity and liabilities			
Equity			
(a) Equity share capital	9	1.00	1.00
(b) Other equity	10	226.36	48.67
Total equity		227.36	49.67
Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	5	-	31.81
Total Non-current liabilities		-	31.81
Current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	5	-	9.11
(ii) Trade payables	11	-	0.28
Total outstanding due of micro enterprises and small enterprises		-	0.28
Total outstanding due of creditors other than micro enterprises and small enterprises		1.35	56.41
(b) Other Current liabilities	12	4.58	36.26
(c) Current Tax Liabilities (Net)	13	21.03	0.47
Total current liabilities		26.96	102.54
Total equity and liabilities		254.32	184.02

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the financial statements.

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

(Deepak Agarwal)

Partner

Membership No. 073696



Place of Signature:

Date: May 15, 2023

For & on behalf of Board of Directors of
SBUYS E-Commerce Limited

(Pulkit Seth)

Director

DIN: 00003044

Place of Signature:

Date: May 15, 2023

(Pallab Banerjee)

Director

DIN 07193749

SBUYS E-Commerce Limited

Statement of Profit & Loss for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
I Revenue from operations	14	1,173.90	807.09
II Other income	15	6.88	9.15
III Total income (I+II)		<u>1,180.78</u>	<u>816.24</u>
IV Expenses			
(a) Employee Benefits Expenses	16	648.06	564.20
(b) Finance costs	17	3.76	3.34
(c) Depreciation and amortisation expense	18	5.76	9.88
(d) Other expenses	19	285.51	172.95
Total expenses		<u>943.09</u>	<u>750.37</u>
V Profit before exceptional items and tax (III-IV)		<u>237.69</u>	<u>65.86</u>
VI Exceptional Items		-	-
VII Profit before tax (V-VI)		<u>237.69</u>	<u>65.86</u>
VIII Tax expense:			
Current tax		60.00	16.93
Deferred tax		-	-
IX Profit for the year (VII-VIII)		<u>177.69</u>	<u>48.93</u>
X Other comprehensive income			
(A) (i) Items that will not be reclassified subsequently to profit or loss			
(a) Re-measurement gains/ (losses) on defined benefit plans		-	-
(ii) Income tax on items that will not be reclassified subsequently to profit or loss		-	-
(B) (i) Items that will be reclassified subsequently to profit or loss		-	-
(ii) Income tax on items that will be reclassified subsequently to profit or loss		-	-
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
XI Total comprehensive income for the year, net of tax		<u>177.69</u>	<u>48.93</u>
XII Earnings per equity share: (face value ₹ 10 per share)	20		
Basic (amount in ₹)		1,776.90	489.29
Diluted (amount in ₹)		1,776.90	489.29

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the financial statements.

As per our Audit Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N



(Deepak Agarwal)

Partner

Membership No. 073696

Place of Signature:

Date: May 15, 2023



For & on behalf of Board of Directors of
SBUYS E-Commerce Limited



(Pulkit Seth)

Director

DIN: 00003044

Place of Signature:

Date: May 15, 2023



(Pallab Banerjee)

Director

DIN 07193749

SBUYS E-Commerce Limited

Statement of Cash Flows for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from Operating Activities :		
Net profit before tax and exceptional items	237.69	65.86
Interest Expense	3.76	3.34
Gain on lease cancellation	(1.95)	-
Unrealised forex exchange loss/(gain)	0.03	-
Depreciation	5.76	9.88
Operating profit before working capital changes	245.29	79.08
Adjustments for working capital changes :		
Trade payables & other liabilities	(87.01)	28.16
Trade receivable & other receivables	34.49	(68.41)
Cash generated from operations	192.77	38.83
Direct taxes (paid) /refunds	(41.55)	(16.47)
Net Cash generated in Operating Activities	151.22	22.36
B. Cash flow from Investing Activities:		
Purchase of property, plant and equipment inc. ROU	-	(65.75)
Sale proceeds of property, plant and equipment	-	65.75
Net Cash generated /(used) in Investing Activities	-	-
C. Cash flow from Financing Activities		
Repayment of lease liabilities(including interest)	(6.89)	(11.80)
Net Cash (used) in Financing Activities	(6.89)	(11.80)
Net Increase in Cash/Cash equivalents(A+B+C)	144.33	10.56
Cash / Cash equivalents at the beginning of the year	11.89	1.33
Cash / Cash equivalents at the end of the year	156.22	11.89
Components of Cash and Cash equivalents		
Cash and Cheques on hand	-	-
Balances with Scheduled Banks		
- In Current Accounts	156.22	11.89
	156.22	11.89

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of Significant Accounting Policies

3

The accompanying notes form an integral part of these financial statements.

As per our Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N



(Deepak Agarwal)

Partner

Membership No. 073696



For & on behalf of Board of Directors of SBUYS E-Commerce Limited



(Pulkit Seth)

Director

DIN: 00003044



(Pallab Banerjee)

Director

DIN 07193749

Place of Signature: Gurugram

Date: May 15, 2023

Place of Signature:

Date: May 15, 2023

SBUYS E-Commerce Limited

Statement of changes in equity for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

A. Equity Share Capital	Amount
As at April 01, 2020	1.00
Changes during the year	-
As at April 01, 2021	1.00
Changes during the year	-
As at March 31, 2022	1.00
Changes during the year	-
As at March 31, 2023	1.00

B. Other Equity

	Reserve & Surplus	
	Retained Earnings	Total Other Equity
Balance as at April 01, 2021	(0.26)	(0.26)
Profit for the year	48.93	48.93
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	48.93	48.93
Balance as at March 31, 2022	48.67	48.67
Profit for the year	177.69	177.69
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	177.69	177.69
Balance as at March 31, 2023	226.36	226.36

Summary of Significant Accounting Policies

3

The accompanying notes form an integral part of these financial statements.

As per our Report of even date attached

For B.R. Gupta & Co.

Chartered Accountants

Firm's Registration Number 008352N

(Deepak Agarwal)

Partner

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For & on behalf of Board of Directors of SBYUS E-Commerce Limited

(Pulkit Seth)

Director

DIN: 00003044

(Pallab Banerjee)

Director

DIN 07193749

Place of Signature:

Date: May 15, 2023

Place of Signature:

Date: May 15, 2023

SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 1: Corporate Information

SBUYS E-Commerce Limited is a company domiciled in India and was incorporated on September 20, 2019 under the provisions of the Companies Act, 2013 & has its registered office at C-17/1 Paschimi Marg, Vasant Vihar, New Delhi -110057. The company carry on e-Commerce business for all kinds of readymade garments products and online trading of readymade garments, distribution & collection services using the worldwide computer networks/ web series and providing net commerce solutions for business to business to consumers.

Note 2: Basis of preparation and measurement

Statement of Compliance:

The Financial Statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.

The accounting policies are applied consistently to all the periods presented in the financial statements.

Basis of Preparation and presentation:

The financial statements have been prepared on the going concern and historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period,

All assets and liabilities have been classified as current or non-current according to the company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

Recent accounting pronouncements

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

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its financial statements.

Note 3: Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.

Judgements:

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

Estimates and Assumptions

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



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Income taxes

The company is subject to income tax laws as applicable in India. Significant judgement is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

b) Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

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

All other assets are classified as non-current.

Liabilities:

A liability is current when:

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

All other liabilities are classified as non-current.

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

Operating cycle: The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

c) Revenue Recognition

Revenue from contract with customer

Revenue from contract with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding the amount collected on behalf of third parties (for example, taxes and duties collected on behalf of government) and net of discounts, if any.

The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of products, the company considers the effect of variable consideration, the existence of significant financing component, non-cash consideration, and consideration payable to the customer (if any).

Further, revenue from sale of service is recognized on cost plus method; when services are rendered and same becomes chargeable. Service income comprises of amounts billed for providing services such as business support services rendered to clients in accordance with terms of agreements entered into with them.

d) Financial instruments

A financial instrument is a contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

(i) Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial Asset carried at amortised cost
- Financial Asset at fair value through other comprehensive income (FVTOCI)
- Financial Asset at fair value through profit and loss (FVTPL)

Financial asset carried at amortised cost

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



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Financial asset at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at fair value through profit and loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities includes trade and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

De-recognition

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

(iii) Offsetting of financial instruments

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

(iv) Derivative financial instruments

The company uses derivative financial instruments, such as forward currency contracts, interest rate swaps, full currency swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

e) Impairment of financial assets

The company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

f) Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

g) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

Deferred tax

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Tax relating to items recognized directly in equity/other comprehensive income is recognized in respective head and not in the statement of profit & loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

h) Employee's Benefits

Short Term Employee Benefits: All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the company during an accounting period, the company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The contributions paid/payable towards defined contribution plan are recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees.

Other Long Term Employee Benefits

The company has the policy of recording obligation for compensated absences in the period in which the employee renders the services that increase this entitlement.



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

i) Leases

Company as a lessee

The company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The company recognises 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 the 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 is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the 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 remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. 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.

The company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as Lessor

At the inception of the lease the company classifies each of its leases as either an operating lease or a finance lease. Lease income from operating leases where the company is a lessor is recognised in income on a straight-line basis over the lease term.

j) Foreign Currencies

Functional and presentational currency

The company's financial statements are presented in Indian Rupees (₹) which is also the company's functional currency. Functional currency is the currency of the primary economic environment in which a company operates and is normally the currency in which the company primarily generates and expends cash. All the financial information presented in ₹ except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the company at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost are not re translated.

k) Cash and cash equivalents

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

l) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders 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.



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

m) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

n) Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 4 : Property, plant and equipment

Particulars	Computers	Total
Gross carrying amount		
As at April 01, 2021	-	-
Add: Additions made during the year	65.75	65.75
Less: Disposals/adjustments during the year*	(65.75)	(65.75)
As at March 31, 2022	-	-
Add: Additions made during the year	-	-
Less: Disposals/adjustments during the year	-	-
As at March 31, 2023	-	-
Accumulated depreciation/amortization		
As at April 01, 2021	-	-
Add: Depreciation charge for the year	-	-
Less: Disposals/adjustments during the year	-	-
As at March 31, 2022	-	-
Add: Depreciation charge for the year	-	-
Less: Disposals/adjustments during the year	-	-
As at March 31, 2023	-	-
Net carrying amount		
As at March 31, 2023	-	-
As at March 31, 2022	-	-

* These disposals represents transfer of ownership from SBUYS E-commerce Limited to the MGF Sourcing Far East Limited as per terms and conditions of service agreement dated February 17, 2021. No depreciation has been charged by the company since the ownership has been transferred to the MGF Sourcing Far East Limited.



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 5 : Leases

Lease contracts entered by the company majorly pertains for vehicle taken on lease to conduct its business in the ordinary course. The company does not have any lease restrictions and commitment towards variable rent as per the contract.

Right-of-use assets: Movements in carrying value of assets	Vehicles
Gross Block as at April 01, 2021	-
Add: Additions during the year	49.38
Less: Disposals / adjustments during the year	-
Gross Block As at March 31, 2022	49.38
Gross Block as at April 01, 2022	49.38
Add: Additions during the year	-
Less: Disposals / adjustments during the year	(49.38)
Gross Block As at March 31, 2023	-
Accumulated Amortisation :	
As at April 01, 2021	-
Add: Amortisation for the year	9.88
Less: Disposals/adjustments during the year	-
As at March 31, 2022	9.88
As at April 01, 2022	9.88
Add: Amortisation for the year	5.76
Less: Disposals/adjustments during the year	(15.64)
As at March 31, 2023	-
Net Block :	
As at March 31, 2023	-
As at March 31, 2022	39.50

In 2022-23 and 2021-22, there were no impairment charges recorded for right-of-use assets.

Leases: Movements in carrying value of recognised liabilities	As At March 31,2023	As At March 31,2022
Balance at the beginning of year	40.92	-
Addition in lease liabilities	-	49.38
Interest expense on lease liabilities	1.65	3.34
Repayment of lease liabilities	6.88	11.80
Write off during year	(35.69)	-
Balance at the end of the year	-	40.92
Non-current lease liabilities	-	31.81
Current lease liabilities	-	9.11
Total lease liabilities	-	40.92

Leases: Cash Flows

Included in cash flows from operating activities is ₹ (0.35) lakh (March 31, 2022: ₹ 3.34 lakh) and Included in cash flows from financing activities ₹ 6.88 lakh (March 31, 2022: ₹ 11.80 Lakh).

Cash flows from operating activities include cash flows from short-term lease and leases of low-value assets. Cash flows from financing activities include the payment of interest and the principal portion of lease liabilities.

Leases committed and not yet commenced: There are no leases committed which have not yet commenced as on reporting date.



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 6 : Trade Receivables	As March 31, 2023	At March 31, 2022
Considered good - secured	97.88	125.45
	97.88	125.45

a) Trade receivables ageing schedule as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	44.26	53.62	-	-	-	-	97.88
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Dispute Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss							
Net Trade receivables	44.26	53.62	-	-	-	-	97.88

b) Trade receivables ageing schedule as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled Dues	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	125.45	-	-	-	-	125.45
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Dispute Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Allowances for expected credit loss	-	-	-	-	-	-	-
Net Trade receivables	-	125.45	-	-	-	-	125.45

Note 7: Cash and Cash Equivalents	As March 31, 2023	At March 31, 2022
Cash in Hand		0.01
Balances with Banks:-		
-Current Account	156.21	11.89
	156.22	11.89

a) For the purpose of the statement of cash flow, the cash and cash equivalent are same given above.

Note 8 : Other current assets	As March 31, 2023	At March 31, 2022
Balance with Government Authorities	0.22	6.69
Prepaid expenses	-	0.48
	0.22	7.17



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 9: Share Capital

	As March 31, 2023	At March 31, 2022
Authorised		
150,000 (March 31, 2022: 150,000) equity shares of ₹ 10 each	15.00	15.00
	<u>15.00</u>	<u>15.00</u>
Issued, Subscribed & Paid-up Equity		
10,000 (March 31, 2022: 10,000) equity shares of ₹ 10 each fully paid up	1.00	1.00
Total Issued, Subscribed & Paid-up Capital	<u>1.00</u>	<u>1.00</u>
a) Reconciliation of issued and subscribed share capital		
	No. of shares	No. of shares
Equity Share of ₹ 10 each		
Balance as at April 1, 2021	10,000	10,000
Increase/(decrease) during the year	-	-
Balance as at March 31, 2022	<u>10,000</u>	<u>10,000</u>
Increase/(decrease) during the year	-	-
Balance as at March 31, 2023	<u>10,000</u>	<u>10,000</u>

b) Terms/rights attached to Equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

	March 31, 2023		March 31, 2022	
	No. of Shares	%holding	No. of Shares	%holding
Equity Shares of ₹ 10 each fully paid up				
Pearl Global Industries Limited (Holding Company)	10,000	100%	10,000	100%

d) Details of Shares held by the promoters

As at March 31, 2023

Promoter Name	No. of shares at the beginning of the year*	Change during the year	No. of shares at the end of the year*	% of Total Shares	% Change during the year
Pearl Global Industries Limited (Holding Company)	10,000	-	10,000	100	-
Equity Shares of ₹ 10 each fully paid up					
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>100</u>	<u>-</u>

* Number of Shares are given in absolute numbers.

As at March 31, 2022

Promoter Name	No. of shares at the beginning of	Change during the year	No. of shares at the end of the year*	% of Total Shares	% Change during the year
Pearl Global Industries Limited (Holding Company)	10,000	-	10,000	100	-
Equity Shares of ₹ 10 each fully paid up					
	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>100</u>	<u>-</u>

* Number of Shares are given in absolute numbers.

Note 10: Other Equity

	As March 31, 2023	At March 31, 2022
Retained Earnings	226.36	48.67
	<u>226.36</u>	<u>48.67</u>

I. For Movement during the year in Other Equity, refer "Statement of Changes in Equity".

Note 11: Trade payables

	As March 31, 2023	At March 31, 2022
Total outstanding dues of Micro and Small enterprises	-	0.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	1.35	56.41
	<u>1.35</u>	<u>56.69</u>



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

a) As per Schedule III of the Companies Act, 2013 and as certified by the management, the amount due to Micro & Small Enterprises as defined in Micro, Small and Medium Enterprises Development Act, 2006 is as under :

Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

	As March 31, 2023	At March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.	-	0.28
(ii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iii) The 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 the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	0.28
(v) The amount of further interest remaining due and payable even in the succeeding year, 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 section 23 of the MSMED Act 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

Trade Payables ageing schedule as on March 31, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	1.35	-	-	-	-	1.35
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

Trade Payables ageing schedule as on March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.28	-	-	-	0.28
(ii) Others	2.39	54.02	-	-	-	56.41
(iii) Disputed dues — MSME	-	-	-	-	-	-
(iv) Disputed dues — Others	-	-	-	-	-	-

Note 12 : Other Current Liabilities

	As March 31, 2023	At March 31, 2022
Other Advances	0.44	-
Statutory dues payable	4.14	36.26
	4.58	36.26

Note 13 : Current Tax Liabilities (Net)

	As March 31, 2023	At March 31, 2022
Current Tax liabilities (Net of Advance tax and TDS of ₹ 40.54 lakh (March 31, 2022 : ₹ 16.4	21.03	0.47
	21.03	0.47



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 14: Revenue from Operations		
Sale of services		
- Business Support Services	803.82	735.55
- Commission Fee	370.08	71.53
	1,173.90	807.09

a) Performance obligation

Revenue is recognised upon transfer of control of products.

During the year, The company has not entered into long term contracts with customers and accordingly disclosure of unsatisfied or remaining performance obligation (which is affected by several factors like changes in scope of contracts, periodic revalidations, adjustment for revenue that has not been materialized, tax laws etc.) is not applicable to the company.

b) **Disaggregation of revenue:** The company has revenue from India only and there is no revenue from related party.

c) Reconciliation of revenue from operations with contracted price

	For the year ended March 31, 2023	For the year ended March 31, 2022
Contracted Price	1,173.90	807.09
Less:		
Sales Returns	-	-
Rebate and Discounts	-	-
	1,173.90	807.09

d) Significant changes in contract assets and liabilities

Changes in balance of contract liabilities during the year:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening balance of contract liabilities during the year	-	0.56
Amount of revenue recognised against opening contract liabilities	-	(0.56)
Addition in balance of contract liabilities for current year	-	-
Closing balance of contract liabilities	-	-

e) Trade Receivables, Contract Balances

For Trade Receivables, Refer note no. 6.

Further, the company has no contracts where the period between the transfer of the promised goods or services to the customer and payment terms by the customer exceeds one year. In light of above;

- it does not adjust any of the transaction prices for the time value of money,

- There is an unbilled revenue of ₹ 44.26 lakh as at March 31, 2023 (March 31, 2022- Nil)

Further, the company doesn't have any contract liabilities as at March 31, 2023 and March 31, 2022

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 15: Other Income		
Foreign Exchange Fluctuation	4.91	9.14
Gain on lease cancellation	1.95	-
Scrap Sale	0.02	0.01
	6.88	9.15

Note 16 : Employee Benefits Expenses

	For the year ended March 31, 2023	For the year ended March 31, 2022
Salary	632.51	556.96
Contribution to Provident and other funds	13.90	4.78
Staff welfare expense	1.65	2.46
	648.06	564.20



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 17 : Finance costs		
Interest expense :		
On lease liabilities	1.65	3.34
On delayed payment of Income- tax	2.11	-
	3.76	3.34
	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 18 : Depreciation and Amortisation expense		
Amortisation of Right of use Asset	5.76	9.88
	5.76	9.88
Note 19: Other expenses		
Administrative expenses	192.50	97.35
Computer expenses	0.68	1.43
Communication expenses	1.73	2.25
Office Maintenance	15.34	12.80
Travelling expenses	25.32	3.04
Printing & Stationery	1.59	2.25
Professional charges	0.45	0.36
Rent	23.75	29.66
Repair & Maintenance	0.49	4.28
Payment to auditors (refer note 'a' below)	1.50	1.00
Rates & Taxes	1.15	4.69
Miscellaneous Expenses	21.01	13.85
	285.51	172.95
(a) Details of payment made to auditors is as follows:		
As Auditor:		
- Statutory Audit Fees	1.00	1.00
- Tax Audit Fees	0.50	-
	1.50	1.00
	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 20: Earnings per share (EPS)		
Profit attributable to the equity shareholders (A)	177.69	48.93
Number/Weighted average number of equity shares outstanding at the end of the year (B)	10,000	10,000
Nominal value of equity shares	10	10
Basic/Diluted Earning per share (A/B) (in ₹)	1,776.90	489.29



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 21: Capital management

The Primary objective of the company's capital management is to maximise the shareholder value and also ensure ability to continue as a going concern. In order to maintain the optimal balance of Debt and Capital, the company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants.

Though company has the group policy of reviewing Capital Management through analysis of Capital Gearing Ratio, which is net debt divided by total Capital plus net debt, however since company has no debt as on March 31, 2023, no such review is required.

	<u>As</u> <u>March 31, 2023</u>	<u>At</u> <u>March 31, 2022</u>	<u>As</u> <u>March 31, 2023</u>	<u>At</u> <u>March 31, 2022</u>
Borrowings	-	-	-	-
Less: Cash and Cash equivalents (refer to note 7)	(156.22)	(11.89)	(156.22)	(11.89)
Adjusted Net Debt (A)	(156.22)	(11.89)	(156.22)	(11.89)
Equity share capital (refer to note 9)	1.00	1.00	1.00	1.00
Other equity (refer to note 10)	226.36	48.67	226.36	48.67
Total Capital (B)	227.36	49.67	227.36	49.67
Net Debt and Capital (C= A+B)	71.14	37.78	71.14	37.78
Gearing ratio	(2.20)	(0.31)	(2.20)	(0.31)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.



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SBUYS E-Commerce Limited
Notes to the financial statements for the year ended March 31, 2023
 (All amounts are in ₹ lakh, unless otherwise stated)

Note 22: Fair Value Measurements

a) Financial Instruments by category

All other financial assets and liabilities viz. trade receivables, security deposits, cash and cash equivalents, other bank balances, interest receivable, other receivables, trade payables, employee related liabilities and borrowings, are measured at amortised cost.

b) Fair value hierarchy

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

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

As at March 31, 2023: Particulars	Carrying amount		Fair value				
	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost							
Trade Receivables	97.88	-	97.88	-	-	-	-
Cash and cash equivalents	156.22	-	156.22	-	-	-	-
Total	254.10	-	254.10	-	-	-	-
Financial liabilities measured at amortised cost							
Lease liabilities	-	-	-	-	-	-	-
Trade payables	-	1.35	1.35	-	-	-	-
Total	-	1.35	1.35	-	-	-	-
As at March 31, 2022: Particulars	Carrying amount		Fair value				
	Other financial assets - amortised cost	Other financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets measured at amortised cost							
Trade Receivables	125.45	-	125.45	-	-	-	-
Cash and cash equivalents	11.89	-	11.89	-	-	-	-
Total	137.34	-	137.34	-	-	-	-



SBUYS E-Commerce Limited
Notes to the financial statements for the year ended March 31, 2023
(All amounts are in ₹ lakh, unless otherwise stated)

Financial liabilities measured at amortised cost	
Lease liabilities	40.92
Trade payables	56.68
Total	97.61

The company has an established control framework with respect to the measurement of fair values. The finance and accounts team that has overall responsibility for overseeing all significant fair value measurements and reports directly to the board of directors. The team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the team assesses 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. Significant valuation issues are reported to the company's board of directors.

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).

There have been no transfers in either direction for the year ended 31 March 2023 and 31 March 2022.

Measurement of fair values

Valuation techniques and significant unobservable inputs.

Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

For other financial liabilities/ assets that are measured at fair value, the carrying amounts are equal to the fair values.



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SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 23: Financial risk management objectives and policies

The company's principal financial liabilities comprises of trade payables. The main purpose of these financial liabilities is to support its operations.

The company's principal financial assets comprises of cash and cash equivalents.

The company is exposed to credit risk, liquidity risk and market risk. The company's senior level management oversees the management of these risks.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

The sensitivity analyses in the following sections relate to the position as at March 31, 2023 and March 31, 2022.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The company has no long-term borrowings with variable rates as at March 31, 2023, which expose the company to interest rate risk.

ii) Foreign currency risk

Foreign currency risk is the risk that arises when the fair value of future cash flows of an exposure fluctuate because of the changes in exchange rates. Foreign currency risk sensitivity is the impact on the company's profit before tax, due to changes in the fair value of monetary assets and liabilities on unhedged exposures.

company is not exposed to foreign currency sensitivity because company does not have any outstanding foreign currency exposure as on March 31, 2023 and March 31, 2022.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is not exposed to credit risk from its operating activities and from its financing activities

C. Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The company's objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. The company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2023	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	1.35	-	-	-	1.35
Total	1.35	-	-	-	1.35

As at March 31, 2022	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Trade payables	56.69	-	-	-	56.69
Total	56.69	-	-	-	56.69



SBUYS E-Commerce Limited
Notes to Financial Statements for the year ended March 31, 2023

Note 24: Ratio Analysis

Description	Numerator	Denominator	As At March 31, 2023	As At March 31, 2022	% change	Reason for variance*
Current ratio (in times)	Current Assets	Current Liabilities	9.43	1.41	569%	Increased in current assets mainly cash and cash equivalents led to improvement in Current ratio
Debt- Equity Ratio (in times)	Total Debt	Shareholder's Equity	-	0.64	0%	Not Applicable
Debt Service Coverage ratio (in times)	Earnings for debt service (Refer Note (a) below)	Debt Service (Refer note (b) below)	26.89	5.27	411%	Termination of lease in current year led to decrease in debt and consequently, improvement in ratio
Return on Equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	128%	194%	-34%	Increased turnover resulting in profit resulting in better Return on equity ratio.
Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	-	-	0%	Not Applicable
Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	10.51	10.22	3%	
Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	-	-	0%	
Net Capital Turnover Ratio (in times)	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	5.16	19.23	-73%	Increase in working capital in comparison to sales leading to decrease in Net Capital turnover ratio.
Net Profit ratio (in %)	Net Profit	Net sales = Total sales - sales return	15.14%	8.16%	85%	Increased turnover resulting in better profit margins resulting in better Net profit ratio
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	105%	76%	38%	Increased turnover resulting in better profit margins resulting in better Return on Capital Employed ratio
Return on Investment (in %)	Interest (Finance Income)	Investment	-	-	0%	Not Applicable

Notes

- a) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc. "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
- b) Interest, Lease Payments and Principal Repayments of long term debt

* Reasons are explained for variance in which % of change is more than 25% as compared to previous year.



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 25: Disclosure of Related parties/ Related parties transactions :

a) List of Related Parties and relationships

(i)	Holding Company	Pearl Global Industries Limited
(ii)	Key Managerial Personnel (KMP)	Deepak Seth (Director)
		Pulkit Seth (Director)
		Shifalli Seth (Director)
		Pallab Banerjee (Director)

b) Transactions during the year with related parties

S. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		Holding Company	Holding Company	KMP	KMP
1	Advance Received Pearl Global Industries Limited	-	-	-	-
2	Administrative expenses Pearl Global Industries Limited	192.50	97.35	-	-
3	Rental expenses (including maintenance expenses) Pearl Global Industries Limited	30.80	-	-	-
4	Repayment of lease liabilities Pearl Global Industries Limited	6.88	-	-	-
5	Expense Paid by them on our Behalf Pearl Global Industries Limited	7.33	77.60	-	-
6	Expense Paid by the Company on their Behalf Pearl Global Industries Limited	-	3.19	-	-

c) Outstanding Balances as at year end

S. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		Holding Company	Holding Company	KMP	KMP
1	Other Advances Pearl Global Industries Limited	-	0.75	-	-

Note 26: No material events have occurred between the balance sheet date to the date of issue of these financial statements that could affect the values stated in the financial statements.

Note 27: There is no reportable segments of the company in view of the Ind As-108 "Operating Segments" as notified under Companies (Indian Accounting Standards) Rules, 2015.

Note 28 : No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the company (Ultimate Beneficiaries).

The company has not received any fund from any party (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entity identified by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 29: Disclosure of transactions with struck off companies

The company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial years.



SBUYS E-Commerce Limited

Notes to the financial statements for the year ended March 31, 2023

(All amounts are in ₹ lakh, unless otherwise stated)

Note 30:

A) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i) Wilful defaulter
 - ii) Utilisation of borrowed funds & share premium
 - iii) Borrowings obtained on the basis of security of current assets
 - iv) Discrepancy in utilisation of borrowings

Note 31 : Figures have been rounded off to the nearest lakh upto two decimal places except otherwise stated.

**For & on behalf of Board of Directors of
SBUYS E-Commerce Limited**

(Pulkit Seth)

Director

DIN: 00003044

(Pallab Banerjee)

Director

DIN 07193749

Place of Signature:

Date: May 15, 2023

