B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Members of CaratLane Trading Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of CaratLane Trading Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

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

Basis for Opinion

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

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

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

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

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

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

Registered Office:
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

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

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

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

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

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

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

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 41(vii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 41(viii) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account, which has a feature of recording audit trail (edit log) facility except in respect of a payroll software used for payroll records, operated by a third-party software service provider whose independent service auditor's assurance report is not available for the period 1 January 2024 to 31 March 2024 (the report is available for 1 April 2023 to 31 December 2023) with the Company. Accordingly, we are unable to comment whether audit trail feature for the said payroll software was enabled and operated for the period 1 January 2024 to 31 March 2024, for the relevant transactions recorded in the software. For accounting softwares for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

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

R. Arjun

Arjun Ramesh

Partner

Place: Bengaluru

Membership No.: 218495

Date: 25 April 2024

ICAI UDIN:24218495BKFTKK9062

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made investments and not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured loan to other parties during the year, in respect of which requisite information is as below. The Company has not granted any loans, secured or unsecured, to companies, firms and limited liability partnership during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

Particulars	Loans
Aggregate amount during the year – Subsidiary – other parties	**Rs. 2,817 lakhs** **Rs. 215.94 lakhs**
Balance outstanding as at balance sheet date – Subsidiary – other parties	**Rs.4,861 lakhs** **Rs. 127.54 lakhs**

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not made investments and not provided any guarantee or security or granted any advances in the nature of loan during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion following instances of loans falling due during the year were renewed or extended or settled by fresh loans:

Name of the parties	Aggregate overdue amount settled by extension	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
StudioC Inc. (Wholly owned subsidiary)	Rs. 250 lakhs	8.87%

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") In respect of the loans given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with. Further, according to the information and exp la nations given to us and on the basis of examination of our records of the Company, the Company has not made investments and not provided any guarantee or security specified under Section 186 of the Act.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute/ Nature of Due	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
Goods and Service Tax	18.27	2018-19	Appellate Authority
Goods and Service Tax	15.52	2017-18	Appellate Authority
Goods and Service Tax	2.10	2017-18	Joint Commissioner, West Bengal

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that 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 as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act 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, clause 3(xvi)(a) of the Order is not applicable.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanation given by the management, the group has five CICs which are registered with Reserve Bank of India and two CIC which is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is 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 realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) The Company has not transferred the amount remaining unspent in respect of ongoing projects, to a Special Account till the date of our report. However, the time period for such transfer i.e. thirty days from the end of the financial year as permitted under the sub-section (6) of Section 135 of the Act, has not elapsed till the date of our report.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:24218495BKFTKK9062

Place: Bengaluru
Date: 25 April 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of CaratLane Trading Private Limited for the year ended 31 March 2024

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

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

Opinion

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

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Annexure B to the Independent Auditor's Report on the standalone financial statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

R. [signature]

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:24218495BKFTKK9062

Place: Bengaluru
Date: 25 April 2024

CARATLANE

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STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

CaratLane Trading Private Limited
Standalone Balance Sheet
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5(i)	8,721	7,921
Capital work-in-progress *	5(iii)	68	0
Right-of-use assets	6	24,611	20,039
Intangible assets	5(ii)	3,180	2,755
Intangible assets under development	5(iv)	244	77
Financial assets			
i. Investments	7(i)	109	109
ii. Loans receivable	7(ii)	4,861	1,998
iii. Other financial assets	7(iii)	9,700	6,614
Deferred tax assets (net)	8	3,292	1,403
Other tax assets (net)	8	1,017	215
Other non-current assets	9	6,583	3,136
Total non current assets		**62,386**	**44,267**
Current assets			
Inventories	10	102,760	89,372
Financial assets			
i. Trade receivables	11(i)	2,169	3,605
ii. Cash and cash equivalents	11(ii)	2,111	506
iii. Other bank balance	11(iii)	504	178
iv. Loan receivables	11(iv)	128	523
v. Other financial assets	11(v)	5,902	4,201
Other current assets	12	13,908	12,873
Total current assets		**127,482**	**111,258**
Assets held for sale	38	1,806	-
Total assets		**191,674**	**155,525**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	667	667
Share application money		-	1
Other equity	14	14,512	21,402
Total equity		**15,179**	**22,070**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15(i)	13,036	-
iia. Lease liabilities	15(ii)	30,791	23,025
iii. Other financial liabilities	15(iii)	840	362
Other non-current liabilities	16	145	87
Provisions	17	1,137	693
Total Non current liabilities		**45,949**	**24,167**
Current liabilities			
Financial liabilities			
i. Borrowings	18(i)	46,190	56,711
ii. Gold on loan	18(ii)	40,220	20,931
iiia. Lease liabilities	18(iii)	4,457	3,317
iv. Trade payables	18(iv)		
(a) Total outstanding dues of micro and small enterprises		3,414	3,466
(b) Total outstanding dues of creditors other than micro and small enterprises		22,419	15,840
v. Other financial liabilities	18(v)	2,842	1,664
Other current liabilities	19	9,844	6,601
Provisions	20	1,040	758
Total current liabilities		**130,426**	**109,288**
Liabilities held for sale	38	120	-
Total liabilities		**191,674**	**155,525**

**Represents amounts less than Rs.50,000*

Material accounting policies 3

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

R. Iyer

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

Avnish Anand

Avnish Anand
Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

CaratLane Trading Pvt. Ltd. * MUMBAI

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

CaratLane Trading Private Limited
Standalone statement of profit and loss
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	21	305,815	215,509
Other income	22	3,179	2,177
Total income (I)		**308,994**	**217,686**
Expenses			
Cost of materials consumed	23 (a)	201,345	160,642
Purchase of stock-in-trade	23 (b)	24,247	15,784
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23 (c)	(18,135)	(35,930)
Employee benefits expense	24	17,013	13,532
Finance costs	25	8,110	4,658
Depreciation and amortisation expense	26	8,243	4,473
Other expenses	27	54,564	40,564
Total expenses (II)		**295,387**	**203,723**
Profit before tax (III) [(I)-(II)]		**13,607**	**13,963**
Tax expense (IV)			
- Current tax		-	-
- Deferred tax	8	3,530	3,723
Profit for the year (A) [(III)-(IV)]		**10,077**	**10,240**
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of profit and loss:			
- Remeasurements of employee defined benefit plans		(376)	(107)
- Income-tax on above		95	27
Other comprehensive income (net of tax) (B)		**(281)**	**(80)**
Total comprehensive income for the year (A+B)		**9,796**	**10,160**
Earnings per equity share (par value of Rs. 2 per share)			
Basic earnings per share (Rs.)	28	30.22	30.75
Diluted earnings per share (Rs.)	28	29.93	30.56
Material accounting policies	3		

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Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

CaratLane Trading Private Limited
Standalone statement of changes in equity
(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance at the 1 April 2022	665
Changes in equity share capital during the year	2
As at 31 March 2023	667
Changes in equity share capital during the year *	0
As at 31 March 2024	667

**Represents amounts less than Rs.50,000*

B. Other equity

Particulars	Reserves and surplus			Other comprehensive income (Re-measurement of defined benefit obligation)	Total
	Securities premium	Stock options outstanding account	Retained earnings		
Balance at the 1 April 2022	40,978	851	(30,518)	(244)	11,067
Premium on shares issued during the year	163	(100)	-	-	63
Profit for the year	-	-	10,240	-	10,240
Employee stock option expense	-	113	-	-	113
Other comprehensive income for the year (net of taxes)	-	-	-	(80)	(80)
Total comprehensive income for the year			10,240	(80)	10,160
Balance as at 31 March 2023	41,141	864	(20,277)	(326)	21,402
Balance as at 1 April 2023	41,141	864	(20,277)	(326)	21,402
Premium on shares issued during the year	1	-	-	-	1
Profit for the year	-	-	10,077	-	10,077
Modification of ESOP Plan (Refer Note 13)	-	(857)	(15,830)	-	(16,687)
Share Options exercised	7	(7)	-	-	-
Employee stock option expense	-	-	-	-	-
Other comprehensive income for the year (net of taxes)	-	-	-	(281)	(281)
Total comprehensive income for the year			10,077	(281)	9,796
Balance as at 31 March 2024	41,149	-	(26,030)	(607)	14,512

Material accounting policies 3

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

As per our report of even date attached

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Date: 25 April 2024

Caratlane Trading Pvt. Ltd.
MUMBAI

CaratLane Trading Private Limited
Standalone statement of cash flow
(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	13,607	13,963
Adjustments for:		
Depreciation and amortisation expenses	8,243	4,473
Interest income	(295)	(82)
Interest income on financial assets carried at amortised cost	(692)	(553)
Deferred rental income and rent equalisation	(181)	(186)
Termination gain	(388)	-
Gain on sale of investment (net)	(53)	(3)
Finance cost	8,110	4,658
(Profit)/Loss on sale of property, plant and equipment	(100)	(38)
Property, plant and equipment wrtitten off	24	-
Intangible assets wrtitten off	3	17
Employee share based payment	18	113
Operating profit before working capital changes	**28,296**	**22,362**
Change in operating assets and liabilities		
(increase)/ decrease in inventories	(14,860)	(35,992)
(increase)/ decrease in trade receivables	1,338	(1,554)
(increase)/ decrease in loans receivable, other financial asset and other assets	(6,285)	(9,737)
increase/ (decrease) in other financial liabilities	742	568
increase/ (decrease) in provisions	350	318
increase/ (decrease) in gold on loan and trade payable	25,936	(302)
increase/ (decrease) in other liabilities	3,223	2,483
Cash generated from/(used in) operating activities before taxes	**38,740**	**(21,854)**
Income taxes paid (Net of refunds)	(802)	(100)
Net cash inflow from/(used in) operating activities (A)	**37,938**	**(21,954)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and intangible assets under development	(6,502)	(8,772)
Proceeds from sale of property, plant and equipment	1,017	241
Loan given during the year to subsidiary	(2,863)	(1,771)
Purchase/sale of mutual fund investments, net	53	3
Security deposits placed during the year	(326)	-
Interest received	1,168	807
Lease payments received from sub-leases	1,649	1,086
Net cash (used in) investing activities (B)	**(5,804)**	**(8,406)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment towards lease liabilities (principal)	(4,936)	(3,444)
Payment towards lease liabilities (interest)	(2,998)	(1,498)
Proceeds from long term borrowings	17,317	-
Repayment of long term borrowings	(1,024)	(657)
(Repayment of)/ proceeds from short term borrowings, net	(13,778)	38,996
Interest paid	(5,028)	(3,022)
Cash settled options (Refer note 13) (net of taxes)	(20,083)	-
Proceed from issue of equity shares	1	65
Net cash (used in)/from generated from financing activities (C)	**(30,529)**	**30,440**
Net cash increase in cash and cash equivalents (A+B+C)	1,605	80
Cash and cash equivalents as at the beginning of the year (Refer note 11(ii))	506	426
Cash and cash equivalents as at the end of the year (Refer note 11(ii))	**2,111**	**506**

Caratlane Trading Pvt. Ltd. MUMBAI

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CaratLane Trading Private Limited
Standalone statement of cash flow
(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Debt reconciliation statement in accordance with Ind AS 7		
Borrowings		
Opening balance	56,711	18,372
Repayment of borrowings	(577,801)	(366,645)
Proceeds from borrowings	580,316	404,984
Closing balance	**59,226**	**56,711**
Reconciliation of Lease liability		
Opening balance	26,342	12,142
Payments made during the year	(7,934)	(4,942)
Non-cash changes	16,840	19,142
Closing balance	**35,248**	**26,342**

Material accounting policies 3

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
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(CIN: U52393TN2007PTC064830)

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Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

Caratlane Trading Pvt. Ltd. MUMBAI

1 BACKGROUND

CaratLane Trading Private Limited (the Company) is domiciled and incorporated in India under the provision of the Companies Act, 2013. The Company is engaged in activities of Manufacturing and trading of jewellery. The registered office address of the Company is 27, Anna Salai, Pathari Road Thousand Lights, Chennai TN 600006.

The Board of Directors approved the standalone financial statements for the year ended 31 March 2024 and authorised for issue on 25 April 2024.

2 BASIS OF PREPARATION AND PRESENTATION

(i) Statement of compliance

The standalone financial statements comply with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013 ('the Act') and other relevant provision of the act under going concern asssumption using the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values notified under the Act & Rules prescribed thereunder. (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements')

(ii) Basis of measurement

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

a. Certain financial assets and liabilities that are measured at fair value
b. Share based payments that are measured at fair value
c. Net defined benefit liability that are measured at fair value of present value of defined benefit obligations
d. Right of use assets and lease liabilities are measured at fair value as per INDAS 116
e. Security deposits are measured at fair value as per INDAS 109

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

(iii) Use of estimates, assumptions and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies on the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates, assumptions and judgement are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual result may differ from these estimates.
Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized prospectively.

Judgements

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

- Note 30 – Leases – whether an arrangement contains a lease
- Note 30 – Lease classification (including the expected general inflation rates)
- Note 21 - Revenue Recognition
'-Note 5(iv)- Intangible assets under development

Assumptions and estimation

Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2024 is included in the following notes:

- Note 5 (i) – Useful life of the Property, plant and equipment;
- Note 5 (ii) – Useful life of the Intangible assets;
- Note 35 – Contingent liabilities and commitments;
- Notes 31 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 30 – Leases - Lease term and incremental borrowing rate
- Note 36 – Fair value measurement of financial instruments
- Note 21 - Revenue recognition
- Note 20 (a) - Provision for warranty
- Note 33 - Right to recover returned goods and Liability for sales return
-Note 11(b)- Expected credit loss
-Note 8- Deferred tax- recognition and valuation
- Note 19 - Provision for Xclusive points

(iv) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee ("Rs." or "INR"), which is the Company's functional and presentation currency and is rounded-off to the nearest lakhs except when otherwise indicated.

(v) Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non-financial assets and liabilities.
The Company has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.

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

- Level 1. quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2. inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

- Note 36 - financial instruments.

(vi) Current and Non Current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Balance sheet. Balances that are realisabe/ payable within a period 12 months are considered as current and beyond 12 months is considered as non-current

Caratlane Trading Pvt. Ltd. MUMBAI

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3 MATERIAL ACCOUNTING POLICIES

The Accounting policies set out below have been applied consistently to all periods presented in these Standalone Financial Statements unless otherwise indicated.

(i) Revenue recognition

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

Sale of products :

Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities. Invoices are usually payable within 120-180 days, except for cash and carry business.

For contracts that permit the customer to return an item, revenue is recognized to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Therefore, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods assets are recognized. The right to recover returned goods asset is measured after reducing the average gross margin from the estimated refund liability. The refund liability is included in other current liability (note 19) and right to recover returned goods is included in other current assets (note 12). The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

The Company allocates a portion of the consideration received to 'Xclusive points'.This allocation of the material right to the customer is based on the historical data for redemption of these Xclusive points. The amount allocated to the xclsuive points is deferred and is recognized as revenue when xclusive points are redeemed or the likelihood of the customer redeeming the xclusive points become remote. The deferred revenue is included in other current liabilities.

Use of significant judgements in revenue recognition.

• The Company's contracts with customers could include promises to transfer multiple goods to a customer. The Company assesses the goods promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

• Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

• The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Refer Note - 21 Revenue from operations

Interest income is recognized as it accrues in the standalone statement of profit and loss using effective interest rate method.
Commission income is generally recognized when the related sale is executed as per the terms of the agreement.

The Company has determined that the revenues as disclosed in Note 21 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

i (a) Other income

Franchisee Signing Fees Franchisee signining fees is recognised based on the franchisee stores opened during the year which varies based on the location. It excludes taxes remitted to the goverment which are receovered from the Franchisee's. (Note 22)

(ii) Property, plant and equipment

The cost of any item of PPE shall be recognised as an asset if an only if it is probable that future economic benefit associated with the item will flow to the group and the cost of the item can be measured reliably.

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advance paid towards acquisition of fixed assets outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the standalone statement of profit or loss. Capital work-in-progress comprises the cost of assets that are not ready for their intended use at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repairs and maintenance costs are recognised in the statement of profit and loss as incurred.

The Company identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. Leasehold improvements are amortized over the estimated useful life of the asset or the lease period whichever is less.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the standalone statement of profit and loss when the Property, plant and equipment is derecognized.

Caratlane Trading Pvt. Ltd. MUMBAI

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(ii) Property, plant and equipment (continued)

Depreciation methods, estimated useful life and residual value
Depreciation is calculated using straight-line method to allocate their cost over the useful lives of assets which is as follows:

Asset category	Management estimate of useful life	Useful life as per schedule II
Furniture and fittings	10 years	10 years
Computer equipment	3 years	3 years
Computer server	6 years	6 years
Office equipments	5 years	5 years
Jewellery Machine	15 years	15 years
Vehicles	5 years	8 years
Mock jewellery	1 year	1 year
Leasehold improvements - Stores	4 years	Lease period
Leasehold improvements - Other than stores	8 years or lease period whichever is less	Lease period

Depreciation for assets purchased / sold during the period is proportionally charged.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

(iii) Intangible assets
(a) Internally generated : Research and development

Expenditure on research activities is recognized in the statement of profit and loss as incurred.
Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

(b) Amortization
Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight- line method, and is included in depreciation and amortization in Statement of Profit and Loss.
The estimated useful lives are as follows:

Asset	Useful life
Computer software	3 years
Caratlane portal	3 years

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

(iv) Impairment
(a) Financial assets
The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit and loss. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as required. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information.

The Company considers a financial asset to be in default when:

•the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
•the financial asset is more than 90 days past due

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental price on the estimated future cash flows of the financial assets have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

i. significant financial difficulty of the debtor;
ii. a breach of contract such as default or being more than 90 days past due;
iii. it is probable that the debtor will enter bankruptcy or other financial reorganistaion; or
iv. the disappearance of an active market for a security because of financial difficulties.

(b) Non-financial assets
Intangible assets, Intangible asset under development and property, plant and equipment
At each reporting date, the Company reviews the carrying amount of its Non financial assets to determine whether there is any indication of impairment. Intangible assets,Intangible asset under development and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in -use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Value in use is based on estimated future cash flows. discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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(v) Leases

Company as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a. the contract involves the use of an identified asset;

b. the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and

c. the Company has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components 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 the 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 asset is subsequently measured at cost less 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 lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Company. Generally, the Company uses its incremental borrowing rate as the discount 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. Incremental borrowing rate used for discounting has been determined by taking the interest rates obtained from financial institutions for borrowing the similar value of right of use assets for similar tenure. The rates will be reassessed on a yearly basis at the beginning of each accounting period to reflect changes in financial conditions. 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 Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a lessor

When the Company acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short -term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains a lease and non-lease components, the Company applies Ind AS 115-Revenue to allocate the consideration in the contract.

(vi) Non-current assets or assets and liabilities held for sale :

Non-current assets, or assets and liabilities held for sale, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying value and fair value less costs to sell.

Once classified as held for sale, intangible assets, property, plant and equipment, investment properties are no longer amortised or depreciated.

Non-current assets classified as held-for-sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(vii) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed Gold)] are measured at the lower of cost and net realizable value. The cost is determined as follows:

(i) Raw materials are valued at weighted average except solitaires which are valued at the cost of purchase.

(ii) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

(iii) Traded goods are valued at weighted average / cost of purchase.

(iv) Gold is valued on first-in-first-out basis.

(v) Gold hedged through gold on loan and futures contract are revalued at fair value.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads.

Unfixed gold is initially valued at the provisional gold price prevailing on the date of receipt of gold and revalued at the gold price prevailing at the end of each reporting period.

Net realizable value represent the estimated selling price for inventories less estimated cost of completion and costs necessary to make the sale.

(viii) Foreign currency transactions and balances

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the standalone statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the standalone balance sheet date are translated at the exchange rates on that date. The resultant exchange differences are recognized in the standalone statement of profit and loss.

Non-monetary assets and liabilities which are carried in terms of historical cost denominated in foreign currency are translated at an exchange rate that approximates the rates prevalent on the date of the transaction.

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(ix) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in standalone statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred income tax: Deferred income tax assets and liabilities are recognized using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred income tax assets are recognized for carry forward of unused tax credits and unused tax losses, to the extent that there is convincing evidence that taxable profit will be available against which the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as an income or expense in the period that includes the enactment or substantive enactment date.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and 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 tax authority.

(xi) Employee benefits

i) Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, short-term compensated absences and incentives etc., are recognized in the standalone statement of profit and loss for the year in which the employee renders the related service.

ii) Defined contribution plan

All eligible employees receive benefit from provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary and including other fixed component not linked to the performance of employees. The Company has no further obligations under this plan beyond its monthly contributions.

iii) Post employment benefits

The Company provides for gratuity, a defined benefit plan covering all eligible employees. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date having maturity periods approximating the term of the related obligation. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to standalone statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

The plan provides a lump-sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Company. The gratuity liability is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

iv) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the projected unit credit method.

(xii) Employee stock option expense

The Company measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes-Merton Model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of similar companies. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

The cost of equity settled transactions is recognized, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

On 13 December 2023, the Board of Directors had approved the conversion of the exisitng ESOP plan to cash setlled plan and approved cash settlement of outstanding Vested and unexercised Options to all eligible employees/ ex- employees on surrender of the said Vested and unexercised Options. The difference between the fair value of options as on grant date and fair value of options as on date of conversion is debited to 'other equity'.

The fair value of the amount payable to employees in respect of options which are settled in cash, is recognized as an employee benefits expense with a corresponding liabilities. over the period during which the employees become unconditionally entitled to payment. The liability is measured at each reporting date and at settlement date based on the fair value of options. Any change in the liability are recognized in profit or loss.

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(xiii) Financial instruments

Recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognized immediately in the statement of profit and loss.
All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of financial assets.

A) Financial assets

Classification of financial assets:

On initial recognition, a financial asset is classified at
(i) Amortized cost
(ii) Fair value through other comprehensive income (FVOCI)
(iii) Fair value through profit and loss (FVTPL)
Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized 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.

Financial assets at fair value through comprehensive income

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 assets at fair value through profit and loss

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

B) Financial liabilities: classification, subsequent measurement and derecognition:

Financial liabilities carried at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities at fair value through profit and loss

A financial liabilities which is not classified in any of the above categories are subsequently carried at fair value through profit or loss .

Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.
If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognized in the standalone statement of profit and loss.

Offsetting

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

(xiv) Derivative financial instruments

a. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Company applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit for the period.The Company has designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

b. Cash flow hedge

The Company uses derivative financial instruments to manage risks associated with gold price fluctuations relating to certain highly probable forecasted transactions. The company has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

The use of derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in Other comprehensive income and accumulated under the heading cash flow hedge reserve and the ineffective portion is recognised immediately in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the standalone statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss.
The Company has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

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(xv) Provisions and contingent liabilities

a. General

Provisions are recognized 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 expense relating to a provision is presented in the standalone 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. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Product warranty costs are determined based on past experience and provided for in the year of sale.

b. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

c. Onerous contracts

Provision for onerous contracts i .e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(xvi) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits with banks and balances with banks. The Company considers all highly liquid investments with an original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(xvii) Standalone cash flow statement

Cash flows are reported using the indirect method, whereby net loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(xviii) Borrowing Cost

Borrowing costs are interest and other costs incurred in connection with borrowing of funds. The borrowing cost includes interest expense accrued on gold on loan taken from banks. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xix) Earning per share

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted loss per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic loss per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the year, using the treasury stock method for options, except where the results would be anti-dilutive. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(xx) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Board of Directors of the Company assesses the financial performance and position of the Company. The Managing Director and Chief executive officer has been identified as the CODM.
The Company operates in one segment only i.e. Jewellery. The CODM evaluates the Company's performance based on the revenue and operating income from the sale of Jewellery. Accordingly, no additional segment disclosure has been made for the business segment.
In terms of geographical segment, since the Company operates only in India, there is only one geographical segment, i.e. India. Accordingly, no additional disclosure has been made for geographical segment information.

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

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(All amounts in INR lakhs, unless otherwise stated)

5(i) Property, plant and equipment*

Particulars	Gross carrying amount					Accumulated depreciation					Carrying amount (net)
	As at 1 April 2023	Additions	Disposals/Write off	Asset held for sale (Refer Note 38)	As at 31 March 2024	As at 1 April 2023	Charge for the year	Disposals/Write off	Asset held for sale (Refer Note 38)	As at 31 March 2024	As at 31 March 2024
Tangible assets											
Furniture and fittings	1,788	652	357	22	2,061	412	203	61	4	550	1,511
Leasehold improvements	4,707	1,546	437	5	5,811	1,280	938	110	2	2,106	3,705
Computer equipment	1,754	308	19	63	1,980	906	483	11	35	1,343	637
Computer server	38	-	-	-	38	21	2	-	-	23	15
Mock jewellery	250	-	-	-	250	250	-	-	-	250	-
Office equipment	2,107	1,169	304	112	2,860	720	481	52	45	1,104	1,756
Jewellery machine	1,062	416	67	51	1,360	197	88	6	15	264	1,096
Vehicles	3	-	-	-	3	2	-	-	-	2	1
Total (A)	**11,709**	**4,091**	**1,184**	**253**	**14,363**	**3,788**	**2,195**	**240**	**101**	**5,642**	**8,721**

Particulars	Gross carrying amount				Accumulated depreciation				Carrying amount (net)
	As at 1 April 2022	Additions	Disposals/Write off	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals/Write off	As at 31 March 2023	As at 31 March 2023
Tangible assets									
Furniture and fittings	919	929	60	1,788	306	115	9	412	1,376
Leasehold improvements	1,629	3,193	115	4,707	909	422	51	1,280	3,427
Computer equipment	1,030	724	-	1,754	569	336	-	906	849
Computer server	38	-	-	38	19	2	-	21	16
Mock jewellery	250	-	-	250	250	-	-	250	-
Office equipment	1,128	1,047	68	2,107	497	238	15	720	1,387
Jewellery machine	692	417	47	1,062	141	62	6	197	865
Vehicles	3	-	-	3	2	-	-	2	1
Total (A)	**5,689**	**6,310**	**290**	**11,709**	**2,694**	**1,175**	**81**	**3,788**	**7,921**

*Refer Note 18(i) for details of security

5(ii) Intangible assets

Particulars	Gross carrying amount					Accumulated amortization					Carrying amount (net)
	As at 1 April 2023	Additions	Disposals/Write off	Asset held for sale (Refer Note 38)	As at 31 March 2024	As at 1 April 2023	Charge for the year	Disposals/Write off	Asset held for sale (Refer Note 38)	As at 31 March 2024	As at 31 March 2024
Intangible assets											
Computer software	4,877	1,857	-	88	6,646	2,122	1,418	-	74	3,466	3,180
Website	239	-	-	-	239	239	-	-	-	239	-
Total	**5,116**	**1,857**	**-**	**88**	**6,885**	**2,361**	**1,418**	**-**	**74**	**3,705**	**3,180**

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5(ii) Intangible assets (Contd)

Particulars	Gross carrying amount				Accumulated amortization				Carrying amount (net)
	As at 1 April 2022	Additions	Disposals/Write off	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals/Write off	As at 31 March 2023	As at 31 March 2023
Intangible assets									
Computer software	2,636	2,368	127	4,877	1,488	750	116	2,122	2,755
Caratlane portal	239	-	-	239	239	-	-	239	-
Total	**2,875**	**2,368**	**127**	**5,116**	**1,727**	**750**	**116**	**2,361**	**2,755**

5(iii) Capital Work in Progress

(A) Movement of Capital Work in Progress

As at 31 March 2024

Particulars	As at 1 April 2023	Additions	Capitalisation during the year	As at 31 March 2024
Capital Work in Progress *	0	192	124	68
Total	**0**	**192**	**124**	**68**

As at 31 March 2023

Particulars	As at 1 April 2022	Additions	Capitalisation during the year	As at 31 March 2023
Capital Work in Progress *	2	-	2	0
Total	**2**	**-**	**2**	**0**

** Represents amount less than Rs.50,000*

(B) Ageing of Capital Work in Progress

As at 31 March 2024

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	68	-	-	-	68
(b) Projects temporarily suspended	-	-	-	-	-
Total	**68**	**-**	**-**	**-**	**68**

As at 31 March 2023

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress*	0	-	-	-	0
(b) Projects temporarily suspended	-	-	-	-	-
Total	**0**	**-**	**-**	**-**	**0**

* Represents amount less than Rs.50,000

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(All amounts in INR lakhs, unless otherwise stated)

5(iv) Movement and Ageing of Intangible assets under development:

(A) Movement of Intangible assets under development :

As at 31 March 2024

Particulars	As at 1 April 2023	Additions	Capitalisation during the year	Reversals	As at 31 March 2024
Intangible assets under development	77	2,007	1,837	3	244
Total	**77**	**2,007**	**1,837**	**3**	**244**

As at 31 March 2023

Particulars	As at 1 April 2022	Additions	Disposals	Reversals	As at 31 March 2023
Intangible assets under development	479	1,823	2,225	-	77
Total	**479**	**1,823**	**2,225**	**-**	**77**

(B) Ageing of Intangible assets under development :

As at 31 March 2024

Particulars	Amount in Intangible assets under development for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	244	-	-	-	244
(b) Projects temporarily suspended	-	-	-	-	-
Total	**244**	**-**	**-**	**-**	**244**

As at 31 March 2023

Particulars	Amount in Intangible assets under development for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	71	5	-	-	77
(b) Projects temporarily suspended	-	-	-	-	-
Total	**71**	**5**	**-**	**-**	**77**

Notes :
1. There are no projects as on 31 March 2024 and 31 March 2023 where the project timelines are overdue
2. There are no projects as on 31 March 2024 and 31 March 2023 where the cost exceeded the original plan approved by the Board of Directors.

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(All amounts in INR lakhs, unless otherwise stated)

6 Right of use assets*

Particulars	As at 31 March 2024	As at 31 March 2023
As at April 1	24,896	11,121
Add : Additions	12,396	16,162
Less : Modifications / Terminations	4,634	2,387
As at March 31	**32,658**	**24,896**
Accumulated amortisation		
As at April 1	4,857	3,705
Add : Amortisation expense	4,630	2,557
Less : Modifications / Terminations	1,440	1,405
As at March 31	**8,047**	**4,857**
Net carrying value	**24,611**	**20,039**

*Also Refer Note 30

7 Financial assets

(i) Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investment in equity instrument: (unquoted)		
Investment in subsidiary (at cost unless stated otherwise))		
150 shares (Previous year: 150 shares) fully paid equity shares of $ 1,000 each in StudioC Inc , USA	109	109
	109	**109**
Aggregate book value of unquoted investments	109	109

(ii) Loans receivable

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Loan to StudioC Inc. (Refer note 29)	4,861	1,998
	4,861	**1,998**

Note : The loan receivable from StudioC Inc was earlier receivable in 2-3 years from the date of each disbursement, which have been extended in current year to 5 years from the date of each disbursement.

(iii) Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	2,150	1,906
Lease receivables (Refer note 30)	7,462	4,698
Other deposits	88	10
	9,700	6,614

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8 Income tax

a) The following is the analysis of deferred tax assets/(liabilities):

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	3,292	1,403
	3,292	**1,403**

Particulars	As at 1 April 2023	Recognised in other comprehensive income	Recognised in the statement of profit and loss	Recognised in retained earning	As at 31 March 2024
Deferred tax assets					
Provision for doubtful trade receivables	17	-	(13)	-	4
Property, plant and equipment	145	-	94	-	239
Employee benefits	345	95	63	-	503
Lease liabilities (net of Right-of-use assets)	240	-	271	-	511
Carryforward of Losses and unabsorbed depreciation	579	-	768	-	1,347
Provision for Property, plant and equipment	29	-	-	-	29
Provision for warranty	47	-	17	-	64
ESOP Liabilites	-	-	(4,822)	5,325	503
Others	-	-	92	-	92
	1,403	**95**	**(3,530)**	**5,325**	**3,292**

Particulars	As at 1 April 2022	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Recognised in retained earning	As at 31 March 2023
Deferred tax assets					
Provision for doubtful trade receivables	11	6	-	-	17
Property, plant and equipment	218	(73)	-	-	145
Employee benefits	232	86	27	-	345
Lease liabilities (net of Right-of-use assets)	156	84	-	-	240
Carryforward of Losses and unabsorbed depreciation	4,480	(3,901)	-	-	579
Provision for Property, plant and equipment	-	29	-	-	29
Provision for warranty	-	47	-	-	47
	5,097	**(3,723)**	**27**	**-**	**1,403**

b) Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expenses		
Current tax	-	-
Deferred tax	3,530	3,723
Income tax included in other comprehensive income on:		
- Remeasurement of employee defined benefit plans	(95)	(27)
Tax expense for the year	**3,435**	**3,696**

c) The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	13,607	13,963
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	3,425	3,514
Effect of:		
Effect of utilisation of carryforward losses and unabsorbed depreciation against current years profit.	105	209
Income tax expense recognised in the statement of profit and loss	**3,530**	**3,723**

Note : From the Assessment Year 2022-23 onwards relevant to the previous year 2021-22, the Company has elected to exercise the option permitted under section 115BAA(1) of the Income-tax Act, 1961 after satisfying the conditions contained in section 115BAA(2) as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has not recognized Minimum alternative Tax ('MAT') under the provision for income tax for the year ended 31 March 2024 and computed deferred tax based on the rate prescribed in the said section primarily for the carried forward losses.

d) The following table provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets (net)	1,017	215
Current tax liabilities (net)	-	-
Net current income tax assets at the end of the year	**1,017**	**215**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net current income tax assets at the beginning of the year	215	115
Income tax paid	874	127
Refund received during the year *	72	27
Net current income tax assets at the end of the year	**1,017**	**215**

* During the year ended 31 March 2024, refund had been received for Assessement Year 2022-23 of Rs.78 Lakhs including Interest on refund amounting to Rs. 6 Lakhs (previous year: refund had been received for Assessement Year 2021-22 of Rs.29.84 Lakhs including Interest on refund amounting to Rs. 2.46 Lakhs)

9 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Capital advances	269	668
Deferred rental deposit (Refer note below)	196	124
Prepayments	58	-
Balance with government authorities	6,060	2,344
	6,583	**3,136**

Note :
Deferred rental deposit represents discounted value of security deposit as per Ind AS 109.

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10 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	9,241	12,545
Work-in-progress	1,550	1,289
Finished goods	73,604	61,835
Stock-in-trade	18,365	13,703
	102,760	**89,372**

Notes :

(i) The cost of inventories recognised as an expense includes INR 11 lakhs (previous year: INR 6.7 lakhs) in respect of write down of inventory to net-realisable value.

(ii) The inventory includes gold purchased on loan from banks amounting to INR 40,220 lakhs (previous year: INR 20,931 lakhs).

(iii) Inventory includes 871 kg of Gold out of which 863 kg are hedged through gold loan from bank, future contracts and open orders and 8 kg are unhedged as at 31 March 2024. Carrying value of the gold pledged as security for loan is Rs 58,168 lakhs (Previous year : Inventory includes 775 kg of Gold out of which 767 kg are hedged through gold loan from bank, future contracts and open orders and 8 kg are unhedged as at 31 March 2023. Carrying value of the gold pledged as security for loan is Rs 46,064 lakhs)

(iv) Refer point 3(vii) under significant accounting policies for mode of valuation

(v) Remaining value of inventories are given as security on pari-passu basis for bank overdraft and cash card. Also refer notes 18(i).

(vi) Inventory lying with the job worker amounting to Rs.3,363 lakhs (Previous year : Rs. 3,393 lakhs)

11 Financial assets

(i) Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Trade receivables, considered good	656	1,344
Receivables from related parties (Refer note 29)	1,513	2,261
Less: Allowance for doubtful trade receivables	-	-
	2,169	**3,605**
Trade receivables, credit imparied	16	-
Less: Allowance for doubtful trade receivables	(16)	-
	2,169	**3,605**

(a) Ageing of receivables :

As at 31 March 2024

Particulars	Outstanding for following periods from due date of invoice					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years ***	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	2,164	5	-	0	-	2,169
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	16	-	-	-	16
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**2,164**	**21**	-	**0**	-	**2,185**

**Represents amounts less than Rs.50,000*

As at 31 March 2023 :

Particulars	Outstanding for following periods from due date of invoice					
	Less than 6 months #	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed Trade receivables – considered good	3,496	109	-	-	-	3,605
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**3,496**	**109**	-	-	-	**3,605**

(b) Movement in the expected credit loss allowance :

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	43
Provision created during the year	16	-
Bad debts written off during the year	-	(43)
Balance at the end of the year	**16**	-

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Financial assets (continued)

(ii) Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	458	109
Balances with banks :		
(i) in current account	1,629	397
(ii) in EEFC account	24	-
	2,111	506

Note : The balance under current account includes funds in transit primarily for credit card receipts yet to be credited to the Company of Rs.495 lakhs (Previous year: Rs.216 lakhs)

(iii) Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits placed for Gold hedging	309	-
Deposits under Lien (Refer note below)	195	178
Total	504	178

Note : Represents fixed deposits placed with banks for duty free gold purchased for export purpose and deposits placed for disputed due of indirect taxes

(iv) Loans receivable

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Employee loans	128	523
	128	523

(v) Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease receivables (Refer note 30)	1,151	649
Security deposits	208	335
Interest receivable from StudioC (Refer Note 29)	147	56
Interest accrued on fixed deposits	26	20
Accrued Income (Refer note (b) below)	102	59
Other receivable (Refer note (a) below)	1,672	563
Refund receivable from government authorities	1,094	-
Margin money for gold future contracts	1,502	2,519
	5,902	4,201

Note :
(a) Balance pertains to amount receivable from franchisee's towards day to day expenditure
(b) Accrued income represents balance towards bill discounting for vendor invoices and duty drawback receivable.

12 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Balance with government authorities (Refer Note (a) below)	11,996	10,911
Prepayments	785	636
Right to recover returned goods (Refer Note (b) below)	442	311
Other assets	2	8
Advance to suppliers	683	1,007
	13,908	12,873

Note:
(a) Balance with government authorities pertains current and non current GST credits of Rs.19,150 lakhs (Previous year: Rs. 13,255 lakhs) in respect to GST input credit, transitional credit, deemed credit and refund receivable
(b) Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return. Also, refer disclosure made under note 33

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13 Share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No of shares	Amount	No of shares	Amount
Authorised share capital				
Equity share of Rs. 2 each with voting rights	49,953,234	999	49,953,234	999
Total authorised share capital	**49,953,234**	**999**	**49,953,234**	**999**
Issued, subscribed and fully paid up equity share capital				
Equity share of Rs. 2 each with voting rights	33,346,141	667	33,345,841	667
Total issued share capital	**33,346,141**	**667**	**33,345,841**	**667**

(i) Rights, preferences and restrictions attached to shares
The Company has only one class of equity shares having a par value of Rs. 2. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

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.

(ii) Shares reserved for issue under Employee Stock Option Scheme
During the financial year 2017-18, the Company introduced Caratlane Stock Option Plan 2017 ('the Plan'). This Plan supersedes the following stock options and stock option plans:
a. Executive Management Stock Option Scheme 2009
b. CaratLane Trading India Private Limited Stock Option Scheme for Consultants, 2013
c. Senior Management Stock Option Scheme, 2012
As per the plan, Board of Directors grants options to the employees of the Company. The vesting period of the option is one to four years from the date of grant. Options granted under the Scheme can be exercised within a period of six years from the date of vesting. For employees leaving the organization, an option can be exercised within 3 months from the date of resignation.

A maximum of 714,017 options are issuable under this plan. The movement in options issued are as below:

Particulars	For the year ended 31 March 2024	Weighted average exercise price	For the year ended 31 March 2023	Weighted average exercise price
Options outstanding at the beginning of the year	491,711	188	574,000	174
Options granted during the year	-	-	2,500	474
Options forfeited during the year	(27,100)	436	(9,000)	302
Options converted to cash settled during the year (Refer note below)	(464,311)	173	-	-
Options exercised during the year	(300)	474	(75,789)	79
Outstanding at the end of the year	-		**491,711**	**188**
Options exercisable at the end of the year	-		**379,711**	**133**

Cash settled options

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Options outstanding at the beginning of the year	-	-
Options granted during the year	-	-
Options forfeited during the year	-	-
Options converted to cash settled during the year (Refer note below)	464,311	-
Options settled during the year	(411,499)	-
Outstanding at the end of the year	**52,812**	-

Note :
1. During the year ended 31 March 2024, Board on 13 December 2023 had approved the conversion of the exisitng ESOP plan to cash settled plan and approved cash settlement of outstanding Vested and unexercised Options to all eligible employees/ ex- employees on surrender of the said Vested and unexercised Options. The Board further approved the net cash payout of Rs. 20,083 Lakhs (adjusted for exercise price amounting to Rs. 608 Lakhs as applicable to the respective employees/ ex- employees) to be paid in lieu of the total 4,11,499 Vested and unexercised Options under the Company's ESOP Plan to the eligible employees/ ex-employees on surrender of the said Vested and unexercised Options.

Net change after adjusting the ESOP reserve with the consideration has been debited to retained earnings under the head of Other equity, amounting to INR 14,481 Lakhs (net of tax of INR 4,870 Lakhs). For unvested options, net change after adjusting the related ESOP reserve with the fair value on the date of modification of the plan has been debited to retained earnings under the head of Other equity, amounting to INR 1,349 Lakhs (net of tax of INR 454 Lakhs).

2. As at 31 March 2024, there are 52,812 options outstanding pending settlement, of which 16,200 have vested and 36,612 are unvested. These options have been fair valued at Rs.5,028 per option amounting to Rs.2,076 Lakhs. The impact of fair valuation of cash settled ESOP plan from the date of modification to 31 March 2024 has been debited to statement of profit and loss amounting to Rs. 166 lakhs.

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(All amounts in INR lakhs, unless otherwise stated)

Fair value measurement

The fair value at grant date is determined using the Black-Scholes-Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The weighted average remaining contractual life of the options outstanding as of 31 March 2023 under the Caratlane stock Options Plan was 6 years

The key inputs used in Black-Scholes-Merton Model for calculating fair value of options under the scheme as on the date of grant are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
No. of options granted	-	2,500
Date of grant	-	August 1 2022
Vesting period	-	For 1,375 options immediate vesting and 1,125 graded vesting over 4 years
Volatility rate (%)	-	33.71%
Risk free rate (%)	-	7.21%
Expected life of options (years)	-	5.0
Weighted average fair value per share (Rs.)	-	1,128

There are no options granted during the year ended 31 March 2024.

The fair value of the options is estimated using the Black-Scholes-Merton Model with the following assumptions:

Particulars	31 March 2024	Date of conversion 13 December 2023
Fair Value	5,027	5,027
Share Price	5,028	5,028
Risk free rate (%)	4.30%	4.30%
Adjusted Beta	0.78	0.78
Equity Risk premium	5% to 7%	5% to 7%
Country risk premium	1.60%	1.60%
India Inflation	4.00%	4.00%
US Inflation	2.00%	2.00%
Average Cost of Equity	12.70%	12.70%
No. of options	52,812	464,311

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13 **Share capital (continued)**

(ii) Shares reserved for issue under Employee Stock Option Scheme (continued)

The stock price of the Company is arrived using discounted cashflow. Implied volatility is the unit at which the price of shares of peer listed companies has fluctuated during the past period. The expected time to maturity/ expected life of the options is the period for which the Company expects the options to be alive, which has been taken as 10 years subject to adjustment of time lapses from the date of grant. The risk free rate considered for calculation is based on the yield on Government Securities for 10 years as on the date of valuation.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount Rs. In lakhs	No. of shares	Amount Rs. In lakhs
Equity shares with voting rights				
At the beginning of the year	33,345,841	667	33,270,052	665
Add: Issue of shares pursuant to options being exercised by employees *	300	0	75,789	2
At the end of the year	**33,346,141**	**667**	**33,345,841**	**667**

** Represents amount less than Rs.50,000*

iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% holding	No. of shares held	% holding
Equity shares with voting rights				
Titan Company Limited (Refer Notes below)	33,343,141	99.99%	24,036,325	72.08%
Mr. Mithun Padam Sacheti	-	0.00%	3,835,327	11.50%
Mr. Siddhartha Padamchand Sacheti	-	0.00%	3,700,000	11.10%
Mr. Padamchand Sacheti	-	0.00%	1,655,000	4.96%
Total	**33,343,141**	**100%**	**33,226,652**	**100%**

(v) Shareholding of promoters

Promoter name	As at 31 March 2024			As at 31 March 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Titan Company Limited (Refer Notes below)	33,343,141	99.99%	39%	24,036,325	72.08%	-
Mr. Mithun Padam Sacheti	-	0.00%	-100%	3,835,327	11.50%	-
Mr. Siddhartha Padamchand Sacheti	-	0.00%	-100%	3,700,000	11.10%	-
Mr. Padamchand Sacheti	-	0.00%	-100%	1,655,000	4.96%	-

Notes :

1. During the year ended 31 March 2024, the Board in its meeting held on 28 November 2023 took on record the transfer of shares held by Mr. Mithun Padam Sacheti, the Founder and his family members, Mr. Siddhartha Padam Sacheti & Mr. Padamchand Sacheti (collectively, the Sellers) for purchase of 91,90,327 equity shares representing 27.56% of the total paid-up equity capital of the Company on a fully diluted basis to Titan Company Limited.
2. Includes shares held by directors jointly with Titan Company Limited and Nominee Directors

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14 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium *(Amounts received on issue of shares in excess of the par value has been classified as securities premium)*	41,149	41,141
Stock options outstanding account (Refer Note 13) *(Shares granted to employee under employee stock option plan)*	-	864
Retained earnings (Refer Note 13) *(Retained earnings comprise of the Company's prior years' losses after tax)*	(26,030)	(20,277)
Other comprehensive income *(Represents actuarial gain or loss on remeasurement of net defined benefit liability)*	(607)	(326)
	14,512	**21,402**

15 Financial liabilities - Non Current

i. Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost:		
Secured		
Long-term borrowings Term loan (Refer note 3 below)	-	219
Less: Current maturities of long-term borrowings	-	(219)
Unsecured		
Long-term borrowings Term loan (Refer note 1 & 2 below)	16,512	-
Less: Current maturities of long-term borrowings	(3,476)	-
	13,036	**-**

Notes :
1. During the year ended 31 March 2024 the Company has taken unsecured term loan amounting to Rs. 17,317 lakhs from HDFC Bank ltd for brand building activities. The interest rate on the term loan ranges between 7.48% to 7.94% per annum and payable over 60 equal monthly installments beginning from January 2024.
2. During the year ended 31 March 2024 an amount of Rs 805 lakhs has been repaid relating to the above unsecured loan.
3. The loan outstanding as at 1 April 2023 amounting to Rs. 219 Lakhs has been repaid during the year which was secured against the corporate guarantee issued by Titan Company Limited at an interest rate of 0.5% per annum which has been discharged

ii. Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 30)	30,791	23,025
	30,791	**23,025**

iii. Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Rental deposit	580	362
Cash settled ESOP liability	260	-
	840	**362**

16 Other non-current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred rental liability	145	87
	145	**87**

Note :
Deferred rental liability represents discounted value of security deposit as per Ind AS 109.

17 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer note 31) - Long Term	1,137	693
	1,137	**693**

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(All amounts in INR lakhs, unless otherwise stated)

18 Financial liabilities - Current

i. Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Bank overdraft and cash credit (Refer Note 1 and 3 Below)	35,827	33,237
Current maturities of long term borrowings	-	219
Unsecured		
Bill discounting (Refer Note 2 Below)	6,887	-
Bank overdraft and cash credit	-	1,993
Commercial paper (Refer Note 34)	-	21,262
Current maturities of long term borrowings (Refer Note 15(i))	3,476	-
	46,190	**56,711**

Notes :

1. Secured against the Company's inventory, receivables and Property, Plant and Equipment on pari-passu basis. The interest rate on the overdraft varies from 7.25% to 9.5% per annum and is payable at monthly intervals. The overdraft is payable on demand.
2. During the year ended 31 March 2024, the Company has entered into an arrangement with Receivable Exchange of India limited and with credit period ranging between 86 to 180 days and interest rate ranging between 7.05% to 7.50% towards reverse factoring of MSME payments.
3. The Company has filed statements as at the quarter end with the banks which are in agreement with the books of accounts as at respective quarter ends.

ii. Gold on loan

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Payable to banks*	40,220	20,931
	40,220	**20,931**

*Secured against inventory and receivables. Includes amounts payable against gold purchased from various banks under gold on loan scheme. The interest rate of the gold on loan varies from 2.25% to 2.60% per annum as at 31 March 2024 and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of the delivery of gold.

iii. Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities [refer note 30] - Current	4,457	3,317
	4,457	**3,317**

iv. Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
Outstanding dues of micro and small enterprises [Refer note (b) below]	3,414	3,466
Outstanding dues of creditors other than micro and small enterprises		
- Creditors for goods	14,581	8,222
- Creditors for services	7,838	7,618
	25,833	**19,306**

(a) Ageing of Trade Payables :

As at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,414	-	-	-	-	3,414
(ii) Others	20,984	1,435	-	-	-	22,419
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	24,398	**1,435**	-	-	-	**25,833**

As at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,462	-	4	-	-	3,466
(ii) Others	15,029	678	116	17	-	15,840
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	18,491	**678**	**120**	**17**	-	**19,306**

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(All amounts in INR lakhs, unless otherwise stated)

(b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:
There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2024. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors

Particulars	As at 31 March 2024	As at 31 March 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	3,407	3,466
- Interest	-	-
(b) 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;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	7	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
	3,414	3,466

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

v. Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Capital creditors	112	192
Interest Payable	279	-
Cash settled ESOP liability.(Also Refer Note 13)	1,817	-
Employee payables	634	1,472
	2,842	1,664

19 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred rental deposit (Refer note below)	42	22
Statutory dues	492	545
Liability for sales return (Refer note 33)	684	472
Advance from franchisee	36	40
Advance from customers	8,245	5,522
Other	345	-
	9,844	6,601

Note :
Deferred rental deposit represents discounted value of deposit as per Ind AS 109.

20 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer note 31)	199	181
Provision for compensated absences (Refer note 31)	586	389
Provision for warranty	255	188
	1,040	758

Note a: Provision for warranty
Movement below is for provision of warranty during the year:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	188	104
Provisions made during the year	340	155
Utilsations / reversed during the year	(273)	(71)
Provision at the end of the year	255	188

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21 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Export	4,417	4,112
Domestic	283,794	211,397
Sale of products	**288,211**	**215,509**
Other operating revenue (Refer note below)	17,604	-
	305,815	**215,509**

Note :
During the year ended 31 March 2024, the Company sold gold bullion amounting to Rs.17,604 lakhs to various customers dealing in bullion which is disclosed as other operating revenues.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	350,860	251,281
Reduction towards variable consideration	45,045	35,772
Revenue recognised	**305,815**	**215,509**

The reduction towards variable consideration comprises of scheme discounts, incentives, etc.

22 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on loan (Refer Note 29)	285	76
Corporate expense cross charge (Refer Note 29)	356	231
Franchisee signing fees	373	360
Deferred rental income	151	131
Rent deposit equalization	30	55
Net Gain on termination of leases	388	-
Interest income on financial assets carried at amortised cost (Refer Note 30)	692	553
Net gain on sale of property, plant and equipment	100	38
Net gain on sale of current investments	53	3
Net gain or loss on foreign currency translation	115	190
Rental Income	155	76
Interest on Margin Deposit	103	10
Export duty drawback	126	129
Miscellaneous income	252	325
	3,179	**2,177**

23 (a) Cost of material consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories of Raw materials at the beginning of the year	12,545	12,483
Add: Purchases	198,071	160,704
Less: Inventories of Raw Materials at the end of the year *	(9,271)	(12,545)
	201,345	**160,642**

* Includes stock classified as assets held for sale (Refer note 38)

23 (b) Purchases of stock-in-trade

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchases of traded goods	24,247	15,784
	24,247	**15,784**

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23 (c) Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Finished goods		
- Closing stock *	75,047	61,835
- Opening stock	61,835	32,649
	(13,212)	**(29,186)**
Work-in-progress		
- Closing stock	1,550	1,289
- Opening stock	1,289	1,078
	(261)	**(211)**
Stock-in-trade		
- Closing stock	18,365	13,703
- Opening stock	13,703	7,170
	(4,662)	**(6,533)**
Increase in inventory	**(18,135)**	**(35,930)**

* Includes stock classified as assets held for sale (Refer note 38)

24 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	14,712	11,726
Contribution to provident and other funds (Refer Note 31)	398	328
Staff welfare expense	1,496	1,191
Gratuity expenses (Refer Note 31)	259	174
Employee share based payment expense (Refer Note 13)	148	113
	17,013	**13,532**

25 Finance cost

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings (Refer note below)	5,003	3,005
Interest on lease liabilities (Refer Note 30.2)	3,082	1,636
Others	25	17
	8,110	**4,658**

Note:
Interest on borrowing includes Interest on Gold on Loan of Rs.737 Lakhs and Interest on Bank overdraft of Rs 4,266 Lakhs for the year ended 31 March 2024 (Previous year : Interest on Gold on Loan 654 Lakhs and Interest on Bank overdraft of Rs.2,351 Lakhs)

26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (Refer Note 5(i))	2,195	1,175
Depreciation of right of use asset (Refer Note 6)	4,630	2,548
Amortisation of intangible assets (Refer Note 5(ii))	1,418	750
	8,243	**4,473**

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(All amounts in INR lakhs, unless otherwise stated)

27 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Advertising	20,633	15,452
Agent commission	19,708	13,558
Rent (Refer note 30)	457	489
Freight and forwarding	2,289	1,618
Travelling and conveyance	918	824
Professional service charges	3,425	3,328
Bank charges	953	803
Software expenditure	2,584	1,239
Power and fuel	602	365
Communication expenses	153	118
Rates and taxes	177	196
Director sitting fee (Refer note 29)	60	29
Repairs and maintenance	1,180	773
Payments to auditors (Refer 27.1 below)	55	55
Corporate Social Responsibility (Refer 27.2 below)	148	18
Property, plant and equipment written off	24	96
Intangible assets written off	3	17
Stores and consumables	345	264
Royalty (Refer note 29)	456	322
Miscellaneous expenses	394	1,000
	54,564	**40,564**

Notes :

27.1 (i) Payment to auditors (Excluding taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
For statutory audit	28	28
For tax audit	2	2
For limited review	24	24
Reimbursement of out-of-pocket expenses	1	1
	55	55

27.2 Corporate Social Responsibility:

(i) Gross amount approved by the board and required to be spent towards corporate social responsibility by the Company during the year: Rs. 148 lakhs

(ii) Amount spent during the year on:

Particulars	For the year ended 31 March 2024	31 March 2023
1. Amount approved by the board to be spent during the year	148	
2. Amount required to be spent by the company during the year	148	17
3. Amount of expenditure incurred on:		
-Construction/acquisition of any asset	-	-
- On purposes other than above	76	18
4. Excess/(Shortfall) at the end of the year	(72)	1
5. Total of previous years shortfall	-	-
6. Reason for short fall	-	-
7. Nature of CSR Activities	Health, Education, Skill development, Disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship	Health, Education, Skill development, Disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship

(iii) CSR Contribution to Related parties

Particulars	31 March 2024	31 March 2023
Related Parties	-	-
Unrelated parties	76	18

(iv) Details of Unspent obligations :

Particulars	For the year ended 31 March 2024
Opening Balance as at 1 April 2023	-
Amount required to be spend during the year	148
Amount spent during the year from Company's bank account	76
Amount spent during the year from separate CSR unspent account	-
Closing Balance with Company	**20**
Closing Balance in separate CSR unspent account	**52**

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28 Earnings per share

Reconciliation of basic and diluted shares used in computing per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Basic and diluted profit per share		
Profit after tax	10,077	10,240
Number of weighted average shares considered for calculation of basics earning per share	**33,346,125**	**33,296,665**
Add : Dilutive effect of stock options	319,005	213,096
Number of weighted average shares considered for calculation of diluted earning per share	**33,665,129**	**33,509,761**
Earning per share		
Nominal value of share (in INR)	2	2
Earnings per share - Basic (in INR)	30.22	30.75
Earnings per share - Diluted (in INR)	29.93	30.56

29 Related party disclosures

i) Relationship

a) Holding company : Titan Company Limited

b) Subsidiary : StudioC Inc.

c) Key management personnel :
Mr. Avnish Anand, Managing Director (w.e.f 2 January 2024)
Mr. Avnish Anand, Chief executive officer (w.e.f 1 September 2023 to 1 January 2024)
Mr. Mithun Padam Sacheti, Managing Director (Resigned w.e.f 28 November 2023)
Mr. Bhaskar Bhat, Non-executive Director
Mr. Ashok Kumar Sonthalia, Director
Mr. C K Venkataraman, Non-executive Director (w.e.f 22 December 2022)
Mr. Haresh Ram Chawla, Independent Director
Mr. Sandeep Anant Kulhalli, Non-executive Director (Resigned w.e.f. 9 November 2022)
Mr. Ajoy Hiro Chawla, Non-executive Director
Ms. Neelam Chhiber, Independent Director
Mr. Manoj Bhanawat, Chief Financial Officer
Ms. Ahona Das (Company Secretary) (Resigned w.e.f 31 March 2024)

d) Enterprises in which Key Management Personnel or relative of Key Management Personnel has significant influence
Microgo, LLP (till 28 November 2023)
Jaipur Gems and Handicrafts Private Limited (till 28 November 2023)
Starfire Gems Private Limited (till 28 November 2023)
Luxury Online Retail India Private Limited (till 28 November 2023)
M/s Yashrey (till 28 November 2023)

e) Group entity : Tata Sons Private Limited

f) Fellow subsidiary : Titan Commodity Trading Limited

Transactions with the related parties during the year are set out in the table below:

Name of the related party	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
Jaipur Gems and Handicrafts Private Limited	Sale of products	-	980
	Reimbursement of expense payable	22	12
Starfire Gems Private Limited	Purchase of goods	18	113
	Sale of products	8	-
	Rent payable	11	22
StudioC Inc.	Sale of products	4,129	3,837
	Purchase of goods	5	-
	Corporate expense cross charge	356	231
	Loan given during the year #	2,863	1,771
	Interest on loan	285	76
Tata Sons Private Limited	Royalty	451	-
Titan Company Limited	Purchase of goods	-	89
	Royalty	5	322
	Other Income	-	8
	Rent and miscellaneous income	128	34
	Reimbursement of expenses - Encircle	30	14
	Insurance, salary and other expenses	538	492
	Interest on Corporate guarantee *	0	3

** Represents amount less than Rs.50,000*
 # includes unrealised gain of Rs.45 Lakhs (Previous year : 44 Lakhs)

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29 Related party disclosures (continued)

Transactions with the related parties during the year are set out in the table below (Contd):

Name of the related party	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
Titan Commodity Trading Limited	Commodity Trading Transactions	554	509
	Cash Margin money	116	1,386
	Interest income	103	10
	Commission on commodity trading services	17	4
M/s Yashrey	Rent	310	103
	Security Deposit	-	207
Key management personnel	Short term employee benefits	6,199	382
	Long term employee benefits	40	-

Transactions with the related parties during the year are set out in the table below:

Name of the related party	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
Neelam Chhiber	Sitting fees	19	11
Haresh R Chawla	Sitting fees	16	8
Bhaskar Bhat	Sitting fees	15	6
Sandeep Anant Kulhalli	Sitting fees	-	4
Neelam Chhiber	Commission to Directors*	21	-
Haresh R Chawla	Commission to Directors*	21	-
Bhaskar Bhat	Commission to Directors*	14	-
Sandeep Anant Kulhalli	Commission to Directors*	4	-
Microgo LLP	Reimbursement of expenses/services - Receivable	-	4

* excludes provision for commission payable to directors for year ended 31 March 2024 amounting to Rs.81 Lakhs

Balances as on balance sheet date

Name of the related party	Nature of transaction	As at 31 March 2024	As at 31 March 2023
Starfire Gems Private Limited	Trade payable	-	4
	Security deposits	-	6
M/s Yashrey	Security Deposit	-	207
Studio C Inc.	Trade receivable	1,501	2,228
	Interest receivable	147	56
	Loan receivable	4,861	1,998
	Investment in share capital	109	109
Titan Company Limited	Trade payable	3	2
	Royalty Payable	5	324
	Trade receivable	12	32
	Advance to supplier	23	-
Tata Sons Private Limited	Royalty payable	451	-
Titan Commodity Trading Limited	Cash margin receivable	1,502	1,386
	Interest receivable	25	10
	Trade payable	112	-
Key management personnel	Long term employee benefits	60	20
	Short term employee benefits	22	16

Letter of financial support provided to StudioC Inc. USA for the period ended 31 March 2024.

Notes:
a) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company

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30 Leases

30.1 Amounts recognised in balance sheet

Particulars	Note	As at 31 March 2024	As at 31 March 2023
(i) Right-of-use assets	6		
Buildings		24,611	20,039
(ii) Lease liabilities			
Non-current	15(ii)	30,791	23,025
Current	18(iii)	4,457	3,317
		35,248	**26,342**
(iii) Lease receivables			
Non-current	7(iii)	7,462	4,698
Current	11(v)	1,151	649
		8,613	**5,347**

30.2 Amounts recognised in the statement of profit and loss

Particulars	Note	As at 31 March 2024	As at 31 March 2023
(i) Depreciation and amortisation expense			
Buildings	26	4,630	2,548
(ii) Interest expense (included in finance cost)	25	3,082	1,636
(iii) Interest income on sub-lease (included in other income)	22	692	553
(iv) Expense relating to short-term leases	27	192	183
(v) Expense relating to variable lease payments	27	23	17

(a) Short-term lease has been accounted for applying paragraph 6 of Ind AS 116 - lease and accordingly recognized as expenses in the standalone statement of profit and loss.
(b) The total cash outflow net of sublease receipts for the year ended 31 March 2024 amounts to Rs.6,674 lakhs. (Previous year : Rs.3,005 Lakhs)

30.3 Maturity Analysis of Lease Payments

Particulars	As at 31 March 2024	As at 31 March 2023
Upto 1 year	5,420	4,151
1 to 2 years	5,210	3,905
2 to 3 years	5,087	3,678
3 to 4 years	4,550	3,516
4 to 5 years	3,544	2,934
Above 5 years	14,022	10,755
Total	**37,833**	**28,939**

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(All amounts in INR lakhs, unless otherwise stated)

31 Employee benefit obligations

a) Defined contribution plan

The contributions recognized in the standalone statement of profit and loss during the year are as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Employee provident fund	397	320
Employee state insurance	1	7

b) Defined benefit plan - Gratuity (non-funded)

Under the defined benefit plan, the company provides for a lumpsum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the company.

The plan typically exposes the company to actuarial risk such as interest risk and salary risk.

Interest risk	A movement in the bond interest rate will impact the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants, as such an increase in the salary of the plan participants and vice-versa.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate (p.a.)	7.20%	7.30%
Salary escalation rate (p.a.)		
- Corporate	10.95%	10.78%
- Non-corporate	10.60%	9.76%
- Manufacturing	11.09%	9.35%
Attrition rate		
- Corporate	22.33%	26.67%
- Non-corporate	22.67%	24.00%
- Manufacturing	4.00%	6.67%

- The employees of the Company are assumed to retire at the age of 58 years.
- The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.

Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	For the year ended 31 March 2024	
	Discount rate	Escalation rate
Defined benefit obligation when a plus 50 bps for respective rates is applied	1,296	1,378
Defined benefit obligation when a minus 50 bps for respective rates is applied	1,379	1,297

Particulars	For the year ended 31 March 2023	
	Discount rate	Escalation rate
Defined benefit obligation when a plus 50 bps for respective rates is applied	854	893
Defined benefit obligation when a minus 50 bps for respective rates is applied	896	857

Maturity profile	As at 31 March 2024	As at 31 March 2023
Expected benefits for year 1	199	181
Expected benefits for year 2	185	161
Expected benefits for year 3	185	139
Expected benefits for year 4	183	127
Expected benefits for year 5	164	109
Expected benefits in next 5 years and above	1,483	637

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31 Employee benefit obligations (continued)

Components of defined benefit costs recognised in the standalone statement of profit and loss are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current service cost	202	141
Interest on net defined benefit liability	57	33
Total expense charged to the standalone statement of profit and loss	**259**	**174**

Components of defined benefit costs recognised in other comprehensive income are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial loss / (gain) arising from change in financial assumptions	66	(24)
Actuarial loss / (gain) arising from change in demographic assumptions	49	0
Actuarial loss / (gain) arising on account of experience changes	261	131
Remeasurements during the year	**376**	**107**

The service cost and the net interest expense for the year are included in the 'Salaries, wages and bonus' line item in the standalone statement of profit and loss. The remeasurement of the net defined liability is included in other comprehensive income. The amount included in the standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening defined benefit liability	874	629
Current service cost	202	141
Interest on defined benefit obligations	57	34
Amount recognised outside the standalone statement of profit and loss account		
- Actuarial loss / (gain) arising from change in financial assumptions	66	(24)
- Actuarial loss / (gain) arising from change in demographic assumptions	49	0
- Actuarial loss / (gain) arising on account of experience changes	261	131
Benefits paid	(173)	(37)
Closing defined benefit liability	**1,336**	**874**

c) Compensated absences

This provision covers the Company's liability for earned leave.

Provision as at 31 March 2024 amounting to Rs. 253 lakhs (2023: Rs. 130 lakhs) is presented as current, since the company does not have an unconditional right to defer the settlement for atleast twelve months after the reporting date.

Similar assumptions have been made as per the defined benefit plan.

The service cost and the net interest expense for the year are included in the 'Salaries, wages and bonus' line item in the statement of profit and loss. The remeasurement of the net liability is included in other comprehensive income. The amount included in the standalone balance sheet arising from the entity's obligation in respect of its compensated absences is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Compensated absences		
Current	586	389
	586	**389**

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(All amounts in INR lakhs, unless otherwise stated)

32 Operating segment

The Chief Operating Decision Maker ('CODM') evaluates the Company's performance and allocates resources based on analysis of various performance indicators by industry classes. The Managing Director have been identified as the CODM.Accordingly, segment information has been presented for industry classes. The operating segment has been identified to be "Jewellery" as the CODM reviews business performance at an overall Company level as one segment.

33 Right to recover returned goods and Liability for sales return

The Company has a return policy whereby customers can return the jewellery purchased by them within a period of 15 days. Therefore based on the expected sales return the company creates a liability for sales return on the sale value and corresponding right to recover returned goods towards cost of sales for such sales return in the financial statement for the year ended 31 March 2024.

Nature	As at 31 March 2024	As at 31 March 2023
Liability for sales return		
Opening balance	472	356
Less: Provision reversed towards sales returns	(472)	(356)
Add: Provision towards sales return created	684	472
Closing balance	**684**	**472**
Right to recover returned goods		
Opening balance	311	246
Less: Provision reversed towards sales returns	(311)	(246)
Add: Provision towards sales return created	442	311
Closing balance	**442**	**311**

34 Commercial paper

The following tables set forth, for the period indicated, details of commercial paper:

31 March 2024

Maturities	0-1 Month	2-3 Months	4-6 Months
Face value	-	-	-
Carrying value	-	-	-

31 March 2023

Maturities	0-1 Month	2-3 Months	4-6 Months
Face value	-	21,500	-
Carrying value	-	(21,262)	-

(a) The following tables set forth, ratings assigned by credit rating agency at 31 March 2024

Instrument	ICRA	CRISIL
Commercial paper	ICRA [A1+] (Reaffirmed)	CRISIL AA+/Stable (Reaffirmed)

(b) Movement of Commercial Paper :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	21,262	14,864
Additions during the year	61,930	93,426
Repayments during the year	83,192	87,028
Closing balance	-	21,262

Note : As on 31 March 2024, the Company has repaid all it's commercial paper, accordingly the Company believe SEBI (LODR) is not applicable for the Company

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35 Contingent liabilities and commitments

(a)

Particulars	As at 31 March 2024	As at 31 March 2023
- Guarantees excluding financial guarantees	-	-
- Claims against the Company not acknowledged as debts:		
Sales tax matters (refer note (i) below)	-	677
- Other money for which the Company is contingently liable	-	-

(b) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act,1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Company has made a provision for provident fund contribution based on it's interpretation of the said judgement. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.

(c) During the previous year, the Company received Show Cause Notice ('SCN') dated 28 March 2022, from the office of the Directorate of Enforcement, Government of India ('DOE') alleging that the Company received Foreign Direct Investment ('FDI') during the year(s) 2011 to 2014 in lieu of issue of shares to overseas investor, which was utilised in Single Brand Retail Trading activities without prior approval from the RBI. The show-cause notice pertained to an alleged violation of FEMA Rules as Foreign Direct Investment in single-brand retail was not permitted under automatic route in above stated periods.

The Company, based upon the management briefing, approached a former Chief Justice of India who had opined that CaratLane was not in violation of the FEMA rules as at the relevant period, it was only engaged in B2B sales and was not in retail trade. Furthermore, during the year, the Company filed detailed reply to the DOE with clarification vide their letter dated October 28, 2022. Thereafter the Company also preferred a Writ Petition bearing No. 30893 of 2022 ("Writ Petition"), filed before the Hon'ble High Court of Judicature at Madras ('Hon'ble Court'), challenging the SCN and proceedings before DOE. The same was heard by the Hon'ble Court on November 21, 2022, and DOE was directed to file a counter-affidavit as its response, within 4 weeks. However, as on date, no response has been filed by DOE and the time period for filing the same has also lapsed. Thelisting of the matter for hearing before Hon'ble Court has not been notified till date.

Based on the legal opinion received and its assessment of transactions and provisions of FEMA Rules for the years under consideration, the Management considered that no provision is required to be carried in the financial statements for the year ended 31 March 2024 in relation to the above matter. The Management would evaluate this position in subsequent years, based on outcome of proceedings before the Hon'ble Court and DOE.

(d) CENVAT demand order for Rs. 677 Lakhs was raised by the Principal Commissioner, Chennai Nungambakkam office vide Order No. 47/2022 CH.N.GST dated 28.03.2022. During the year upon hearing the proceedings were dropped by the principal commissioner vide order no. 10/2023 CH.N.GST dated 27.12.2023 with no demand and hence no contingency in this regard.

(e) Letter of Financial Support to StudioC Inc, USA.

Note:

(i) The above amounts are based on the notice of demand or the Assessment Orders or notification by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. No reimbursements are expected.

CaratLane Trading Pvt. Ltd. MUMBAI

BSR & Co. LLP

(All amounts in INR lakhs, unless otherwise stated)

36 Financial instruments

36.1 Categories of financial instruments

Financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
a. Measured at amortised cost		
- Loans to employees (Refer note 11(iv))	128	523
- Security and other deposits (Refer note 7(iii) and note 11(v))	2,446	2,251
- Trade receivables (Refer note 11(i))	2,169	3,605
- Cash and cash equivalents (Refer note 11(ii))	2,111	506
- Other bank balances (Refer note 11(iii))	504	178
- Lease receivables (Refer note 7(iii) and note 11(v))	8,613	5,347
-Other financial assets	9,404	5,215
Total financial assets measured at amortised cost	**25,375**	**17,625**
Total financial assets	**25,375**	**17,625**

Financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a. Measured at fair value through profit or loss ("FVTPL")		
- Gold on loan (Refer note 18 (ii))	40,220	20,931
Total financial liabilities measured at FVTPL (a)	**40,220**	**20,931**
a. Measured at amortised cost		
- Borrowings	59,226	56,711
- Rental deposits	840	362
- Trade payables	25,833	19,306
- Lease liabilities	35,248	26,342
- Other financial liabilities	2,842	1,664
Total financial liabilities measured at amortised cost (b)	**123,989**	**104,385**
Total financial liabilities (a + b)	**164,209**	**125,316**

36.2 (i) Fair value hierarchy

This note explains about basis for determination of fair values of various financial assets and liabilities:

Particulars	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value - March 31, 2024				
Financial liabilities				
- Gold loan	40,220	-	-	40,220
Total financial assets	**40,220**	**-**	**-**	**40,220**

Particulars	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value - March 31, 2023				
- Gold loan	20,931	-	-	20,931
Total financial assets	**20,931**	**-**	**-**	**20,931**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds. The fair value of all equity instruments that are traded in the stock exchanges is valued using the closing price at the reporting period. The mutual funds are valued using the closing net asset value.Gold loan which are to be repaid based on quoted price as on the date of the repayment. The Gold loan has been valued at the closing gold rates.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case of unlisted instruments, deposits, employee loans etc.

(ii) Valuation technique used to determine fair value

Specific value techniques used to value financial instruments include:
- the use of quoted market prices for listed instruments
- the fair value of remaining financial instruments is determined using discounted cash flow analysis

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying values of financial assets and liabilities approximate the fair values.

Financial risk management

The Company has in place a Risk management framework to identify, evaluate business risks and challenges across the Company both at corporate level as also separately for each business division. These risks include market risk, credit risk and liquidity risk.

The Company minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments and investment of excess liquidity is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes

(All amounts in INR lakhs, unless otherwise stated)

Financial instruments (continued)

36.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company deals majorly with creditworthy counterparties and obtains sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Company through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. Credit risk arises principally from the Company's receivables from customers. Credit risk on liquid funds is limited because the counterparties are banks. Refer note 11(ii) for the disclosures for trade receivables.

36.4 Liquidity risk

The Company invests its surplus funds from time-to-time in various short-term instruments. Security of funds and liquidity shall be the primary consideration while deciding on the type of investments. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Liquidity risk tables

The following table below analyses the Company's financial liabilities into relevant maturity groupings based on their maturities for all non-derivative financial liabilities that are net settled.
The tables have been drawn on an undiscounted basis based on the earliest date on which the Company can be required to pay.

Particulars	As at 31 March 2024	As at 31 March 2023
Secured bank overdraft/term loan facility, payable		
- amount used	35,827	33,456
- amount unused	20,173	10,188
Secured gold on loan facility, payable		
- amount used	40,220	20,931
- amount unused	4,780	36,644

Liquidity and interest risk tables

The following tables details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn on an undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Contractual maturities of financial liabilities	Less than 3 months	> 3 months	Total
As at 31 March 2024			
Non-derivative			
- Security deposits	2	838	840
- Borrowings	42,718	16,714	59,432
- Trade payables	25,833	-	25,833
- Gold loan	17,260	23,034	40,294
- Lease liabilities	1,785	45,747	47,532
- Other financial liabilities	2,118	1,284	3,402
Total non-derivative liabilities	**89,716**	**87,617**	**177,333**

Contractual maturities of financial liabilities	Less than 3 months	> 3 months	Total
As at 31 March 2023			
Non-derivative			
- Security deposits	19	343	362
- Borrowings	56,711	-	56,711
- Trade payables	18,394	912	19,306
- Gold loan	12,601	8,330	20,931
- Lease liabilities	804	25,538	26,342
- Other financial liabilities	1,662	2	1,664
Total non-derivative liabilities	**90,191**	**35,125**	**125,316**

Financial instruments (continued)

36.5 Market risk

The market risks to which the Company is exposed are price risk and foreign currency risk.

Price risk

The Company is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold.

To manage the variability in cash flows, the Company enters into derivative financial instruments to manage the risk associated with gold price fluctuations relating to all the highly probable forecasted transactions. Such derivative financial instruments are primarily in the nature of future commodity contracts and forward foreign exchange contracts. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan.

The use of such derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

As the value of the derivative instrument generally changes in response to the value of the hedged item, the economic relationship is established.

The following table gives details of contracts as at the end of the reporting year:

Fair value hedges Sell future contracts:

Particulars	Nature of Hedge	Average rate (Per gram)	Quantity of hedge Instruments (kgs)	Nominal amount
31 March 2024	Fair value	6,770	171	11,577
31 March 2023	Fair value	5,829	355	20,692

Fair value hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit for the period.

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

As at 31 March 2024:

Commodity price risk	Carrying value of		Maturity date	Impact of fair value hedge	Disclosure in balance sheet
	Hedged item	Hedging instrument			
Hedged item - fixed gold	11,577	-	3 months	(483)	Inventories
Hedging instrument - derivatives	-	(1)	Upto 6 months	(1)	Other financial assets/ other liabilities

As at 31 March 2023 :

Commodity price risk	Carrying value of		Maturity date	Impact of fair value hedge	Disclosure in balance sheet
	Hedged item	Hedging instrument			
Hedged item - fixed gold	20,692	-	2 months	2	Inventories
Hedging instrument - derivatives	-	-		-	Other financial assets/ other liabilities

Foreign currency risk management

The Company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies.

(i) The risk management strategy on foreign currency exchange fluctuation arising on account of purchase/ sale of gold is covered above.

(ii) In respect of normal purchase and sale transactions denominated in foreign currency, contracts are measured at fair value through the standalone statement of profit and loss.

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency	Liabilities as at		Assets as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Outstanding in USD	5	7	59	53
Outstanding in INR	401	569	4,968	4,374

Foreign currency sensitivity analysis

The Company is mainly exposed to USD. The Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies is presented below:

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. There is an increase in profit or equity by Rs 62 lakhs where the INR strengthens 1% against the relevant currency. For a 1% weakening of the INR against the relevant currency, there would be a comparable decrease in profit or equity.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at 31 March 2024 and 2023, financial liabilities of Rs.59,226 Lakhs and Rs 56,711 Lakhs, respectively, were subject to variable interest rates.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag.

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

For a 1% increase/decrease in interest rate, there is a increase/decrease of 592 lakhs in finance cost.

37 Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 938 lakhs (Previous year: Rs. 1,048 lakhs)

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38 Assets and liabilities of held for sale

See accounting policy in Note 3(vi)
Company runs its silver business under the brand name "Shaya". Revenue for the year ended 31 March 2024 is Rs 4,970 Lakhs and EBITDA for the year ended 31 March 2024 is Rs. (1,170) Lakhs

The Company in the Board meeting held on 26 March 2024 received an in-principle approval from the Board of Directors is looking for a suitable buyer to sell its Shaya business. Management expects the transaction to be highly probable within the next financial year

A. Assets and liabilities of held for sale

As at 31 March 2024, the disposal group was stated at lower of cost or fair value less cost to sell and comprised the following assets and liabilities

Particular	Amount
Assets :	
Property, plant and Equipment	166
Inventories	1,472
Trade receivables	98
Advance to Supplier	70
Assets held for sale	**1,806**
Liabilities :	
Trade payables	120
Liabilities held for sale	**120**

B. Cumulative income or expenses included in OCI

There are no cumulative income or expenses included in OCI relating to the disposal group.

C. Measurment of Fair Values

The fair value of assets and liabilities held for sale has been catergorised as Level 3 fair value.

39 Financial Ratios

Ratio	Numerator	Denominator	31 March 2024	31 March 2023	% Variance	Reasons
(a) Current ratio	Total current assets	Total current liabilities	0.98	1.02	-4%	-
(b) Debt-equity ratio	Debt consists of borrowings and Lease liabilities (long term and short term)	Total equity	6.22	3.76	65%	Refer note (a)
(c) Debt service coverage ratio	Net Profit after taxes, Non-cash operating expenses, Finance cost excluding interest on Gold on Loan / (Finance costs (excluding interest on Gold on Loan)	Finance costs + Principal repayments during the year	20.53%	24.45%	-16%	-
(d) Return on equity ratio	Profit after tax	Average total equity	132.78%	60.59%	119%	Refer note (b)
(e) Inventory turnover ratio	Cost of goods sold	Average Inventory	2.16	1.97	10%	-
(f) Trade receivables turnover ratio	Revenue from operations	Average trade receivables	105.93	76.21	39%	Refer note (c)
(g) Trade payables turnover ratio	Derived purchases	Average trade payables	9.85	9.75	1%	-
(h) Net capital turnover ratio	Revenue from operations	Working capital	(103.88)	109.40	-195%	Refer note (d)
(i) Net profit ratio	Profit after tax	Revenue from operations	3.30%	4.75%	-31%	Refer note (e)
(j) Return on capital employed	Profit before tax and finance cost	Capital employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	20%	18%	12%	-

* Finance costs primarily consists of interest on borrowings and interest on lease liabilities.

Notes:
(a) Debt-equity ratio has increased owing to increase in borrowing in the current year compared to previous year and one time adjustment to retained earning owing to conversion of ESOP plan
(b) Return on equity ratio has increased from previous year due to one time adjustment to retained earning owing to conversion of ESOP plan
(c) Trade receivables turnover ratio has increased due to increase in revenue in the current year by 42% with decrease in trade receivable by 35%
(d) Net capital turnover ratio has reduced during the year due to reduction in working capital by 206% due to increase borrowing and payables and increase in revenue by 42% when compared to previous year
(e) Net profi ratio has decreased as profit before tax has not increased in proportion to increase in revenue of 42%.
(f) Company doesn't have any investments, hence return on investment is not provided

40 Capital management

The Company's policy to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as level of dividends to equity shareholders. The Company aims to manage its capital efficiency so as to safeguard it ability to continue as a going concern and to optimize returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt is included as a part of borrowings and gold loan.

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt *	59,226	56,711
Total equity	15,179	22,070
Debt to equity ratio	3.90	2.57

* Total debt includes only borrowings. Gold on loan and lease liabilities has not been considered for the purpose of above.

41 Other statutory information :
(i) The Company does not have any Benami property or any proceeding which is pending against the Company for holding any Benami property.
(ii) The Company do not have any transactions with companies struck off.
(iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period
(iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.
(v) The Company is not classified as willful defaulter.
(vi) The Company doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.
(vii) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(viii) No funds have been received by the Company from any person(s) or entity(is), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
(ix) The Company has not revalued its property, plant and equipment (including right to use asset) or intangible assets or both during the current or previous year.
(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013
(xi) The Company has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year.

42 Disclosure under section 186 of the Companies Act, 2013

Name of the entity	Nature of relationship	Purpose	As at 1 April 2023	Investment made during the year	Investment sold/ impaired during the year	As at 31 March 2024
Investments						
Investment in equity instruments (unquoted)						
StudioC Inc. USA	Subsidiary	Strategic investment	109	-	-	109

Name of the entity	Nature of relationship	Purpose	As at 1 April 2022	Investment made during the year	Investment sold/ impaired during the year	As at 31 March 2023
Investments						
Investment in equity instruments (unquoted)						
StudioC Inc. USA	Subsidiary	Strategic investment	109	-	-	109

(All amounts in INR lakhs, unless otherwise stated)

Disclosure under section 186 of the Companies Act, 2013 (Contd)

	Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of Interest	Term	As at 1 April 2023	Given during the year	Reinstatement of Loan	Receipt during the year	As at 31 March 2024
Loans											
	StudioC Inc. USA	Subsidiary	Unsecured	Business support	8%	5 years from the date of disbursement	1,998	2,817	45	-	4,861

	Name of the entity	Nature of relationship	Secured/ unsecured	Purpose	Rate of Interest	Term	As at 1 April 2022	Given during the year	Reinstatement of Loan	Receipt during the year	As at 31 March 2023
Loans											
	StudioC Inc. USA	Subsidiary	Unsecured	Business support	8%	2 years from the date of disbursement	227	1,727	44	-	1,998

Letter of Financial Support to StudioC Inc, USA

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

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

Avnish Anand
Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

Caratlane Trading Pvt. Ltd.
MUMBAI

B S R & Co. LLP
Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
No. 13/2, off Intermediate Ring Road
Bengaluru - 560 071, India
Telephone: +91 80 4682 3000
Fax: +91 80 4682 3999

Independent Auditor's Report

To the Members of CaratLane Trading Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of CaratLane Trading Private Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activity within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matter(s)

a. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of Rs.2,263 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs.6,536 lakhs and net cash flows (before consolidation adjustments) amounting to Rs.94 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements has been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

   Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

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 Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements of such subsidiary, as was audited by other auditor, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditor except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the 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 and based on the consideration of the report of the other auditor on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 35 to the consolidated financial statements.

b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024.

d (i) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the Note 40(vii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of its knowledge and belief, as disclosed in the Note 40(viii) to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company has neither declared nor paid any dividend during the year.

e. Based on our examination which included test checks, the Holding Company has used accounting softwares for maintaining its books of account, which has a feature of recording audit trail (edit log) facility except in respect of a payroll software used for payroll records, operated by a thirdparty software service provider whose independent service auditor's assurance report is not available for the period 1 January 2024 to 31 March 2024 (the report is available for 1 April 2023 to 31 December 2023), with the Company. Accordingly, we are unable to comment whether audit trail feature for the said payroll software was enabled and operated for the period 1 January 2024 to 31 March 2024 for the relevant transactions recorded in the software. For accounting softwares for which audit trail feature is enabled, the audit trail facility has been operating throughout the year for all relevant transactions recorded in the software and we did not come across any instance of audit trail feature being tampered with during the course of our audit.

C. In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

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

R. tiju

Arjun Ramesh

Partner

Membership No.: 218495

ICAI UDIN:24218495BKFTKJ2744

Place: Bengaluru

Date: 25 April 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of CaratLane Trading Private Limited for the year ended 31 March 2024

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

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company did not include any unfavourable answers or qualifications or adverse remarks.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

R. Arjun

Arjun Ramesh
Partner
Membership No.: 218495
ICAI UDIN:24218495BKFTKJ2744

Place: Bengaluru
Date: 25 April 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of CaratLane Trading Private Limited for the year ended 31 March 2024

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of CaratLane Trading Private Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company , as of that date.

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

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

Annexure B to the Independent Auditor's Report on the consolidated financial statements of CaratLane Trading Private Limited for the year ended 31 March 2024 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **B S R & Co. LLP**

Chartered Accountants

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

R. Arjun

Arjun Ramesh

Partner

Membership No.: 218495

ICAI UDIN:24218495BKFTKJ2744

Place: Bengaluru

Date: 25 April 2024

CARATLANE

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CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31MARCH 2024

CaratLane Trading Private Limited
Consolidated Balance Sheet
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	As at 31 March 2024	As at 31 March 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5(i)	8,739	7,941
Capital work-in-progress *	5(iii)	68	0
Right-of-use assets	6	24,680	20,153
Intangible assets	5(ii)	3,330	2,945
Intangible assets under development	5(iv)	332	98
Financial assets			
i. Other financial assets	7(i)	9,712	6,876
Deferred tax assets (net)	8	3,292	1,403
Other tax assets (net)	8	1,016	215
Other non-current assets	9	6,583	3,139
Total non current assets		**57,752**	**42,770**
Current assets			
Inventories	10	104,028	90,785
Financial assets			
i. Trade receivables	11(i)	668	1,317
ii. Cash and cash equivalents	11(ii)	2,195	681
iii. Other bank balance	11(iii)	504	178
iv. Loan receivables	11(iv)	128	523
v. Other financial assets	11(v)	5,979	3,943
Other current assets	12	14,066	12,984
Total current assets		**127,568**	**110,411**
Assets held for sale	38	1,806	-
Total assets		**187,126**	**153,181**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	667	667
Share application money		-	1
Other equity	14	9,174	18,334
Total equity		**9,841**	**19,002**
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	15(i)	13,036	-
iia. Lease liabilities	15(ii)	30,817	23,099
iii. Other financial liabilities	15(iii)	840	362
Other non-current liabilities	16	145	87
Provisions	17	1,137	693
Total non current liabilities		**45,975**	**24,241**
Current liabilities			
Financial liabilities			
i. Borrowings	18(i)	46,190	56,712
ii. Gold on loan	18(ii)	40,220	20,931
iia. Lease liabilities	18(iii)	4,506	3,363
iv. Trade payables	18(iv)		
(a) Total outstanding dues of micro and small enterprises		3,414	3,466
(b) Total outstanding dues of creditors other than micro and small enterprises		22,800	16,089
v. Other financial liabilities	18(v)	2,843	1,689
Other current liabilities	19	10,172	6,924
Provisions	20	1,045	764
Total current liabilities		**131,190**	**109,938**
Liabilities held for sale	38	120	-
Total liabilities		**187,126**	**153,181**
**Represents amounts less than Rs.50,000*			
Material accounting policies	3	-	

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

Avnish Anand
Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

CaratLane Trading Private Limited
Consolidated statement of profit and loss
(All amounts in INR lakhs, unless otherwise stated)

Particulars	Note	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from operations	21	308,094	216,881
Other income	22	2,542	1,908
Total income (I)		**310,636**	**218,789**
Expenses			
Cost of materials consumed	23 (a)	201,345	160,642
Purchase of stock-in-trade	23 (b)	24,359	16,593
Changes in inventories of finished goods, stock-in-trade and work-in-progress	23 (c)	(17,990)	(36,783)
Employee benefits expense	24	17,035	13,543
Finance costs	25	8,117	4,661
Depreciation and amortisation expense	26	8,403	4,561
Other expenses	27	57,975	43,637
Total expenses (II)		**299,244**	**206,854**
Profit before tax (III) [(I)-(II)]		**11,392**	**11,935**
Tax expense (IV)			
- Current tax		3	4
- Deferred tax	8	3,530	3,723
Profit for the year (A) [(III)-(IV)]		**7,859**	**8,208**
Other comprehensive income			
Items that will not be reclassified subsequently to the statement of profit and loss:			
- Remeasurements of employee defined benefit plans		(376)	(107)
- Income-tax on above		95	27
Exchange differences on translation of foreign operations		(55)	(105)
Other comprehensive income (net of tax) (B)		**(336)**	**(185)**
Total comprehensive income for the year (A+B)		**7,523**	**8,023**
Earnings per equity share (par value of Rs. 2 per share)			
Basic earnings per share (Rs.)	28	23.57	24.65
Diluted earnings per share (Rs.)	28	23.34	24.49

Material accounting policies 3

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
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Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

Caratlane Trading Pvt. Ltd. MUMBAI

CaratLane Trading Private Limited

Consolidated statement of changes in equity

(All amounts in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance at the 1 April 2022	665
Changes in equity share capital during the year	2
As at 31 March 2023	667
Changes in equity share capital during the year *	0
As at 31 March 2024	667

*Represents amounts less than Rs.50,000

B. Other equity

Particulars	Reserves and surplus			Other comprehensive income		Total
	Securities premium	Stock options outstanding account	Retained earnings	Foreign Currency Translation Reserve	Re-measurement of defined benefit obligation	
Balance at the April 1, 2022	40,978	851	(31,461)	13	(244)	10,137
Premium on shares issued during the year	163	(100)	-	-	-	62
Profit for the year	-	-	8,208	-	-	8,208
Employee stock option expense	-	113	-	-	-	113
Other comprehensive income for the year (net of taxes)	-	-	-	(105)	(80)	(185)
Total comprehensive income for the year			8,208	(105)	(80)	8,023
Balance as at March 31, 2023	41,141	864	(23,253)	(92)	(326)	18,334
Balance as at April 1, 2023	41,141	864	(23,253)	(92)	(326)	18,334
Premium on shares issued during the year	1		-	-	-	1
Profit for the year	-	-	7,859	-	-	7,859
Modification of ESOP Plan (Refer Note 13)	-	(857)	(15,827)	-	-	(16,683)
Share Options exercised	7	(7)	-	-	-	(0)
Employee stock option expense	-	-	-	-	-	-
Other comprehensive income for the year (net of taxes)	-	-	-	(55)	(281)	(336)
Total comprehensive income for the year			(7,968)		(281)	(8,249)
Balance as at March 31, 2024	41,149	-	(31,221)	(147)	(607)	9,174

Material accounting policies 3

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No: 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

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Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

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Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

Caratlane Trading Pvt. Ltd.
MUMBAI

CaratLane Trading Private Limited
Consolidated statement of cash flow
(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	11,392	11,935
Adjustments for:		
Depreciation and amortisation expenses	8,403	4,561
Interest income	(10)	(6)
Interest income on financial assets carried at amortised cost	(692)	(553)
Deferred rental income and rent equalisation	(181)	(186)
Termination gain	(388)	-
Gain on sale of investment (net)	(53)	(3)
Finance cost	8,117	4,661
(Profit)/Loss on sale of property, plant and equipment	(100)	(38)
Property, plant and equipment written off	24	-
Intangible assets wrtitten off	3	20
Exchange differences on translation of foreign operations	(55)	-
Employee stock option expense	(18)	113
Operating profit before working capital changes	**26,442**	**20,504**
Change in operating assets and liabilities		
(increase)/ decrease in inventories	(14,715)	(36,845)
(increase)/ decrease in trade receivables	551	(260)
(increase)/ decrease in loans receivable, other financial asset and other assets	(6,417)	(9,722)
increase/ (decrease) in other financial liabilities	743	570
increase/ (decrease) in provisions	349	323
increase/ (decrease) in gold on loan and trade payable	26,068	(430)
increase/ (decrease) in other liabilities	3,228	2,602
Cash generated from/(used in) operating activities before taxes	**36,249**	**(23,258)**
Income taxes paid (Net of refunds)	(801)	(100)
Net cash from/(outflow) from operating activities (A)	**35,448**	**(23,358)**
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment, intangible assets and intangible assets under development	(6,623)	(8,911)
Proceeds from sale of property, plant and equipment	1,017	241
Purchase/sale of mutual fund investments, net	53	
Security deposits placed during the year	(326)	
Interest received	883	728
Lease payments received from sub-leases	1,649	1,086
Net cash (used in) investing activities (B)	**(3,347)**	**(6,856)**
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment towards lease liabilities (principal)	(4,981)	(5,080)
Payment towards lease liabilities (interest)	(3,011)	-
Proceeds from long term borrowings	17,317	-
Repayment of long term borrowings	(1,024)	(657)
(Repayment of)/ proceeds from short term borrowings, net	(13,778)	38,996
Interest paid	(5,028)	(3,021)
Cash settled options (Refer note 13) (net of taxes)	(20,083)	-
Proceed from issue of equity shares	1	65
Net cash generated (used)/from financing activities (C)	**(30,587)**	**30,303**
Net cash increase in cash and cash equivalents (A+B+C)	1,514	89
Cash and cash equivalents as at the beginning of the year (Refer note 11(ii))	681	592
Cash and cash equivalents as at the end of the year (Refer note 11(ii))	**2,195**	**681**

Caratlane Trading Pvt. Ltd. MUMBAI

BSR & Co. LLP

CaratLane Trading Private Limited
Consolidated statement of cash flow
(All amounts in INR lakhs, unless otherwise stated)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Debt reconciliation statement in accordance with Ind AS 7		
Borrowings		
Opening balance	56,711	18,372
Repayment from borrowings	(577,801)	(366,645)
Proceeds from borrowings	580,316	404,984
Closing balance	**59,226**	**56,711**
Reconciliation of Lease liability		
Opening balance	26,462	12,142
Payments made during the year	(7,992)	(5,080)
Non-cash changes	16,853	19,400
Closing balance	**35,323**	**26,462**

Material accounting policies 3

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

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

Avnish Anand
Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024

Caratlane Trading Pvt. Ltd.
MUMBAI

1 BACKGROUND

CaratLane Trading Private Limited (the Company) is domiciled and incorporated in India under the provision of the Companies Act, 2013. The Company and its subsidiary (collectively, the "Group"). The Group is engaged in activities of Manufacturing and trading of jewellery. The registered office address of the Company is 27, Anna Salai, Pathari Road Thousand Lights, Chennai TN 600006.

The Board of Directors approved the consolidated financial statements for the year ended 31 March 2024 and authorised for issue on 25 April 2024.

2 BASIS OF PREPARATION AND PRESENTATION

(i) Statement of compliance

The consolidated financial statements comply with the Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013 ('the Act') and other relevant provision of the act under going concern asssumption using the historical cost convention on an accrual basis except for certain financial instruments which are measured at fair values notified under the Act & Rules prescribed thereunder. (together hereinafter referred to as 'consolidated Financial Statements' or 'financial statements')

(ii) Basis of measurement

The Consolidated financial statements have been prepared on an accrual basis under the historical cost convention except for the following items:
a. Certain financial assets and liabilities that are measured at fair value
b. Share based payments that are measured at fair value
c. Net defined benefit liability that are measured at fair value of present value of defined benefit obligations
d. Right of use assets and lease liabilities are measured at fair value as per INDAS 116
e. Security deposits are measured at fair value as per INDAS 109

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

(iii) Use of estimates, assumptions and judgement
The preparation of Consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies on the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates, assumptions and judgement are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual result may differ from these estimates.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized prospectively.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the Consolidated financial statements is included in the following notes:
- Note 30 – Leases – whether an arrangement contains a lease
- Note 30 – Lease classification (including the expected general inflation rates)
- Note 21 - Revenue Recognition
'-Note 5(iv)- Intangible assets under development

Assumptions and estimation
Information about assumptions and estimation uncertainties that have significant risk of resulting in a material adjustment in the year ending 31 March 2024 is included in the following notes:
- Note 5 (i) – Useful life of the Property, plant and equipment;
- Note 5 (ii) – Useful life of the Intangible assets;
- Note 35 – Contingent liabilities and commitments;
- Notes 31 – Measurement of defined benefit obligations: key actuarial assumptions;
- Note 30 – Leases - Lease term and incremental borrowing rate
- Note 36 – Fair value measurement of financial instruments
- Note 21 - Revenue recognition
- Note 20 (a) - Provision for warranty
- Note 33 - Right to recover returned goods and Liability for sales return
-Note 11(b)- Expected credit loss
-Note 8- Deferred tax- recognition and valuation
- Note 19 - Provision for Xclusive points

(iv) Functional and presentation currency
Items included in the Consolidated financial statements of the group are measured using the currency of the primary economic environment in which the group operates (i.e. the "functional currency"). The Consolidated financial statements are presented in Indian Rupee ("Rs." or "INR"), which is the group's functional and presentation currency and is rounded-off to the nearest lakhs except when otherwise indicated.

(v) Measurement of fair values
Certain accounting policies and disclosures of the group require the measurement of fair values, for both financial and non-financial assets and liabilities.
The Group has an established control framework with respect to the measurement of fair values and the valuation team regularly reviews significant unobservable inputs and valuation adjustments.
Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

- Note 36 - financial instruments.

(vi) Basis of consolidation
The consolidated financial statements relate to CaratLane Trading Private Limited and entities controlled by the Company. Control is achieved when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect the entity's returns by using its power over the entity.
The standalone financial statements of the Company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profit or losses. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Entities controlled by the Company are consolidated from the date the control commences until the date control ceases.
The subsidiary company which are included in the consolidation and the Company's holdings is StudioC Inc., the subsidiary is incorporated in the United states of America and the ownership interest of the Company is 100% (Previous year:100%)

The financial statements of the subsidiary company which is included in the consolidation are drawn upto the same reporting date as that of the Company i.e. 31 March 2024. The financial statements of the subsidiary included in consolidation are audited by other auditors.

(v) Current and Non Current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Balance sheet. Balances that are realisabe/ payable within a period 12 months are considered as current and beyond 12 months is considered as non-current

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3 MATERIAL ACCOUNTING POLICIES

The Accounting policies set out below have been applied consistently to all periods presented in these Consolidated Financial Statements unless otherwise indicated.

(i) Revenue recognition
Revenue is recognized upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

Sale of products :
Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities. Invoices are usually payable within 120-180 days, except for cash and carry business.

For contracts that permit the customer to return an item, revenue is recognized to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Therefore, the amount of revenue recognized is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods assets are recognized. The right to recover returned goods asset is measured after reducing the average gross margin from the estimated refund liability. The refund liability is included in other current liability (note 19) and right to recover returned goods is included in other current assets (note 12). The Company reviews its estimate of expected returns at each reporting date and updates the amounts of the assets and liability accordingly.

Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

The Company allocates a portion of the consideration received to 'Xclusive points'.This allocation of the material right to the customer is based on the historical data for redemption of these Xclusive points. The amount allocated to the xclsuive points is deferred and is recognized as revenue when xclusive points are redeemed or the likelihood of the customer redeeming the xclusive points become remote. The deferred revenue is included in other current liabilities.

Use of significant judgements in revenue recognition.
• The Group's contracts with customers could include promises to transfer multiple goods to a customer. The Group assesses the goods promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

• Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct good from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

• The Group uses judgement to determine an appropriate Consolidated selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract. Where Consolidated selling price is not observable, the Group uses the expected cost plus margin approach to allocate the transaction price to each distinct performance obligation.

Refer Note - 21 Revenue from operations

Interest income is recognized as it accrues in the Consolidated statement of profit and loss using effective interest rate method.
Commission income is generally recognized when the related sale is executed as per the terms of the agreement.

The Group has determined that the revenues as disclosed in Note 21 are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

(a) Other income
Franchisee Signing Fees :Franchisee signining fees is recognised based on the franchisee stores opened during the year which varies based on the location. It excludes taxes remitted to the govennent which are receovered from the Franchisee's. (Note 22)

(ii) Property, plant and equipment
The cost of any item of PPE shall be recognised as an asset if an only if it is probable that future economic benefit associated with the item will flow to the group and the cost of the item can be measured reliably.

Items of Property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advance paid towards acquisition of fixed assets outstanding at each balance sheet date is disclosed as capital advances under non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in the Consolidated statement of profit or loss. Capital work-in-progress comprises the cost of assets that are not ready for their intended use at the balance sheet date.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Repairs and maintenance costs are recognised in the statement of profit and loss as incurred.

The Group identifies and determines cost of each component/ part of property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the property, plant and equipment and has useful life that is materially different from that of the remaining asset. Leasehold improvements are amortized over the estimated useful life of the asset or the lease period whichever is less.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of Property, plant and equipment and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of Property, plant and equipment and are recognized in the Consolidated statement of profit and loss when the Property, plant and equipment is derecognized

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(ii) Property, plant and equipment (continued)

Depreciation methods, estimated useful life and residual value
Depreciation is calculated using straight-line method to allocate their cost over the useful lives of assets which is as follows:

Asset category	Management estimate of useful life	Useful life as per schedule II
Furniture and fittings	10 years	10 years
Computer equipment	3 years	3 years
Computer server	6 years	6 years
Office equipments	5 years	5 years
Jewellery Machine	15 years	15 years
Vehicles	5 years	8 years
Mock jewellery	1 year	1 year
Leasehold improvements - Stores	4 years	Lease period
Leasehold improvements - Other than stores	8 years or lease period whichever is less	Lease period

Depreciation for assets purchased / sold during the period is proportionally charged.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

(iii) Intangible assets
(a) Internally generated : Research and development

Expenditure on research activities is recognized in the statement of profit and loss as incurred.
Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

(b) Amortization
Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight- line method. and is included in depreciation and amortization in Statement of Profit and Loss.
The estimated useful lives are as follows:

Asset	Useful life
Computer software	3 years
Caratlane portal	3 years

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

(iv) Impairment
(a) Financial assets
The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through the statement of profit and loss. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate. Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL, as required. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group considers a financial asset to be in default when:

•the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
•the financial asset is more than 90 days past due

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental price on the estimated future cash flows of the financial assets have occurred

Evidence that a financial asset is credit-impaired includes the following observable data:

i. significant financial difficulty of the debtor;
ii. a breach of contract such as default or being more than 90 days past due;
iii. it is probable that the debtor will enter bankruptcy or other financial reorganistaion; or
iv. the disappearance of an active market for a security because of financial difficulties.

(b) Non-financial assets
Intangible assets, Intangible assets under development and property, plant and equipment
At each reporting date, the Group reviews the carrying amount of its Non financial assets to determine whether there is any indication of impairment. Intangible assets, Intangible assets under development and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in -use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. Value-in use is based on estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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(v) Leases

Group as a lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

a. the contract involves the use of an identified asset;

b. the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use, and

c. the Group has the right to direct the use of the asset.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components.

The Group 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 the 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 asset is subsequently measured at cost less 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 lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to the entity within the Group. Generally, the Group uses its incremental borrowing rate as the discount rate. For leases with reasonably similar characteristics, the Group, 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. Incremental borrowing rate used for discounting has been determined by taking the interest rates obtained from financial institutions for borrowing the similar value of right of use assets for similar tenure. The rates will be reassessed on a yearly basis at the beginning of each accounting period to reflect changes in financial conditions. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group 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 Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of all assets that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor at the inception, it determines whether each lease is a finance lease or an operating lease.
The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short -term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.
If an arrangement contains a lease and non-lease components, the Group applies Ind AS 115-Revenue to allocate the consideration in the contract.

(vi) Non-current assets or assets and liabilities held for sale :

Non-current assets, or assets and liabilities held for sale, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.
Such assets, or disposal groups, are generally measured at the lower of their carrying value and fair value less costs to sell.
Once classified as held for sale, intangible assets, property, plant and equipment, investment properties are no longer amortised or depreciated.
Non-current assets classified as held-for-sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(vii) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed Gold)] are measured at the lower of cost and net realizable value. The cost is determined as follows:

(i) Raw materials are valued at weighted average except solitaires which are valued at the cost of purchase.

(ii) Work-in-progress and finished goods (other than gold) are valued at weighted average cost of production.

(iii) Traded goods are valued at weighted average / cost of purchase.

(iv) Gold is valued on first-in-first-out basis.

(v) Gold hedged through gold on loan and futures contract are revalued at fair value.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Group), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads.

Unfixed gold is initially valued at the provisional gold price prevailing on the date of receipt of gold and revalued at the gold price prevailing at the end of each reporting period.

Net realizable value represent the estimated selling price for inventories less estimated cost of completion and costs necessary to make the sale.

(viii) Foreign currency transactions and balances

Foreign exchange transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Consolidated statement of profit and loss for the year.

Monetary assets and liabilities denominated in foreign currencies as at the Consolidated balance sheet date are translated at the exchange rates on that date. The resultant exchange differences are recognized in the Consolidated statement of profit and loss.

Non-monetary assets and liabilities which are carried in terms of historical cost denominated in foreign currency are translated at an exchange rate that approximates the rates prevalent on the date of the transaction.

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(ix) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in Consolidated statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that year. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred income tax: Deferred income tax assets and liabilities are recognized using the balance sheet approach. Deferred tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred income tax assets are recognized for carry forward of unused tax credits and unused tax losses, to the extent that there is convincing evidence that taxable profit will be available against which the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as an income or expense in the period that includes the enactment or substantive enactment date.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax assets and 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 tax authority and same taxable entity.

(xi) Employee benefits

i) Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, short-term compensated absences and incentives etc., are recognized in the Consolidated statement of profit and loss for the year in which the employee renders the related service.

ii) Defined contribution plan

All eligible employees receive benefit from provident fund, which is a defined contribution plan. Both the employee and the Group make monthly contribution to the fund, which is equal to a specified percentage of the covered employee's basic salary and including other fixed component not linked to the performance of employees. The Group has no further obligations under this plan beyond its monthly contributions.

iii) Post employment benefits

The Group provides for gratuity, a defined benefit plan covering all eligible employees. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date having maturity periods approximating the term of the related obligation. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to Consolidated statement of profit and loss. As required under Ind AS compliant Schedule III, the Group transfers it immediately to retained earnings.

The plan provides a lump-sum payment to eligible employees at retirement or on termination of employment based on the salary of the respective employee and the years of employment with the Group. The gratuity liability is accrued based on an actuarial valuation at the balance sheet date, carried out by an independent actuary.

iv) Compensated absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as an actuarially determined liability at the present value of the defined benefit obligation at the balance sheet date using the projected unit credit method.

(xii) Employee stock option expense

The Group measures compensation cost relating to share-based payments using the fair valuation method in accordance with Ind AS 102, Share-Based Payment. Compensation expense is amortized over the vesting period of the option on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes-Merton Model. The expected term of an option is estimated based on the vesting term and contractual life of the option. Expected volatility during the expected term of the option is based on the historical volatility of similar companies. Risk free interest rates are based on the government securities yield in effect at the time of the grant.

The cost of equity settled transactions is recognized, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

On 13 December 2023, the Board of Directors had approved the conversion of the exisitng ESOP plan to cash settled plan and approved cash settlement of outstanding Vested and unexercised Options to all eligible employees/ ex- employees on surrender of the said Vested and unexercised Options. The difference between the fair value of options as on grant date and fair value of options as on date of conversion is debited to 'other equity'.

The fair value of the amount payable to employees in respect of options which are settled in cash, is recognized as an employee benefits expense with a corresponding liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is measured at each reporting date and at settlement date based on the fair value of options. Any change in the liability are recognized in profit or loss.

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(xiii) Financial instruments

Recognition of financial assets and financial liabilities:

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognized immediately in the statement of profit and loss.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of financial assets.

A) Financial assets

Classification of financial assets:

On initial recognition, a financial asset is classified at

(i) Amortized cost

(ii) Fair value through other comprehensive income (FVOCI)

(iii) Fair value through profit and loss (FVTPL)

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

(i) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized 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.

Financial assets at fair value through comprehensive income

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 assets at fair value through profit and loss

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

B) Financial liabilities: classification, subsequent measurement and derecognition:

Financial liabilities carried at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial liabilities at fair value through profit and loss

A financial liabilities which is not classified in any of the above categories are subsequently carried at fair value through profit or loss .

Derecognition

Financial assets

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

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

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognized in the Consolidated statement of profit and loss.

Offsetting

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

(xiv) Derivative financial instruments

a. Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Hedge accounting is discontinued when the Group revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

The Group applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will be no impact of the fluctuation in the price of the gold on the Group's profit for the period.The Group has designated the trade payables pertaining to gold taken on loan from banks ('unfixed gold') as a fair value hedge to the corresponding gold inventory purchased on loan.

b. Cash flow hedge

The Group uses derivative financial instruments to manage risks associated with gold price fluctuations relating to certain highly probable forecasted transactions. The Group has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in Other comprehensive income and accumulated under the heading cash flow hedge reserve and the ineffective portion is recognised immediately in the statement of profit and loss.

Hedge accounting is discontinued when the hedging instrument expires or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the Consolidated statement of profit and loss. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss.

The Group has designated derivative financial instruments taken for gold price fluctuations as 'cash flow' hedges relating to highly probable forecasted transactions.

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(xv) Provisions and contingent liabilities

a. General

Provisions are recognized when the Group 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 Group expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the Consolidated 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. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Product warranty costs are determined based on past experience and provided for in the year of sale.

b. Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

c. Onerous contracts

Provision for onerous contracts i .e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(xvi) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, demand deposits with banks and balances with banks. The Group considers all highly liquid investments with an original maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

(xvii) Consolidated cash flow statement

Cash flows are reported using the indirect method, whereby net loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(xviii) Borrowing Cost

Borrowing costs are interest and other costs incurred in connection with borrowing of funds. The borrowing cost includes interest expense accrued on gold on loan taken from banks. Borrowing costs attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(xix) Earning per share

Basic earning per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted loss per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic loss per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the year, using the treasury stock method for options, except where the results would be anti-dilutive. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(xx) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ('CODM'). The Board of Directors of the Group assesses the financial performance and position of the Group. The Managing Director and Chief executive officer has been identified as the CODM.
The Group operates in one segment only i.e. Jewellery. The CODM evaluates the Group's performance based on the revenue and operating income from the sale of Jewellery. Accordingly, no additional segment disclosure has been made for the business segment.

4 Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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(All amounts in INR lakhs, unless otherwise stated)

5(i) Property, plant and equipment*

Particulars	Gross carrying amount					Accumulated depreciation					Carrying amount (net)
	As at 1 April 2023	Additions	Disposals/ Write off	Adjustments**/Asset held for sale (Also refer Note 38)	As at 31 March 2024	As at 1 April 2023	Charge for the year	Disposals/ Write off	Adjustments**/Asset held for sale (Also refer Note 38)	As at 31 March 2024	As at 31 March 2024
Tangible assets											
Furniture and fittings	1,790	653	357	22	2,064	413	203	61	4	551	1,513
Leasehold improvements	4,713	1,553	437	5	5,824	1,280	948	110	2	2,116	3,708
Computer equipment	1,756	308	19	63	1,982	907	484	11	34	1,346	636
Computer server	38	-	-	-	38	22	-	-	-	22	16
Mock jewellery	250	-	-	-	250	250	-	-	-	250	-
Office equipment	2,117	1,169	304	112	2,870	722	481	52	45	1,106	1,764
Jewellery machine	1,067	416	67	51	1,365	198	88	6	15	265	1,100
Vehicles	3	-	-	-	3	2	-	-	-	2	1
Total (A)	**11,734**	**4,099**	**1,184**	**253**	**14,396**	**3,794**	**2,204**	**240**	**100**	**5,658**	**8,739**

Particulars	Gross carrying amount					Accumulated depreciation					Carrying amount (net)
	As at 1 April 2022	Additions	Disposals/ Write off	Adjustments**	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals/ Write off	Adjustments**	As at 31 March 2023	As at 31 March 2023
Tangible assets											
Furniture and fittings#	921	929	60	0	1,790	306	115	9	0	413	1,377
Leasehold improvements #	1,631	3,200	118	0	4,713	909	423	52	0	1,280	3,433
Computer equipment#	1,033	724	1	0	1,756	569	337	-	0	907	850
Computer server	38	-	-	-	38	19	2	-	-	22	16
Mock jewellery	250	-	-	-	250	250	-	-	-	250	(0)
Office equipment#	1,136	1,049	68	1	2,117	498	239	15	0	722	1,395
Jewellery machine#	693	421	47	0	1,067	141	63	6	0	198	868
Vehicles	3	-	-	-	3	2	-	-	-	2	1
Total (A)	**5,705**	**6,322**	**294**	**1**	**11,734**	**2,695**	**1,179**	**82**	**0**	**3,794**	**7,941**

**Refer Note 18(i) for details of security*
***Includes Adjustments pertains to exchange differneces on translation of foreign operations*
#Represents amounts less than Rs.50,000

5(ii) Intangible assets

Particulars	Gross carrying amount					Accumulated amortization					Carrying amount (net)
	As at 1 April 2023	Additions	Disposals/ Write off	Adjustments**/Asset held for sale (Also refer Note 38)	As at 31 March 2024	As at 1 April 2023	Charge for the year	Disposals/ Write off	Adjustments**/Asset held for sale (Also refer Note 38)	As at 31 March 2024	As at 31 March 2024
Intangible assets											
Computer software	5,015	1,857	-	86	6,786	2,156	1,480	-	68	3,568	3,218
Website	366	68	-	2	436	280	43	-	1	324	112
Total	**5,381**	**1,925**	**-**	**88**	**7,218**	**2,436**	**1,523**	**-**	**69**	**3,892**	**3,330**

(All amounts in INR lakhs, unless otherwise stated)

5(ii) Intangible assets

Particulars	Gross carrying amount					Accumulated amortization					Carrying amount (net)
	As at 1 April 2022	Additions	Disposals/ Write off	Adjustments**	As at 31 March 2023	As at 1 April 2022	Charge for the year	Disposals/ Write off	Adjustments**	As at 31 March 2023	As at 31 March 2023
Intangible assets											
Computer software	2,684	2,453	127	5	5,015	1,494	776	116	2	2,156	2,859
Website	291	71	-	4	366	243	37		-	280	86
Total	**2,975**	**2,524**	**127**	**9**	**5,381**	**1,737**	**813**	**116**	**2**	**2,436**	**2,945**

***Adjustments pertains to exchange differneces on translation of foreign operations*

5(iii) Capital Work in Progress

(A) Movement of Capital Work in Progress

As at 31 March 2024

Particulars	As at 1 April 2023 *	Additions	Capitalisation during the year	As at 31 March 2024
Capital Work in Progress *	0	192	124	68
Total	**0**	**192**	**124**	**68**

**Represents amounts less than Rs.50,000*

Particulars

Particulars	As at 1 April 2022	Additions	Disposals	As at 31 March 2023
Capital Work in Progress *	2	-	2	0
Total	**2**	**-**	**2**	**0**

** Represents amount less than Rs.50,000*

(B) Ageing of Capital Work in Progress

As at 31 March 2024

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	68	-	-	-	68
(b) Projects temporarily suspended	-	-	-	-	-
Total	**68**	**-**	**-**	**-**	**68**

As at 31 March 2023

Particulars	Amount in CWIP for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress*	0	-	-	-	0
(b) Projects temporarily suspended	-	-	-	-	-
Total	**0**	**-**	**-**	**-**	**0**

**Represent amount less than Rs. 50,000*

(All amounts in INR lakhs, unless otherwise stated)

5(iv) Ageing of Intangible assets under development:

(A) Movement of Intangible assets under development :

As at 31 March 2024

Particulars	As at 1 April 2023	Additions	Capitalisation during the year	Reversals	As at 31 March 2024
Intangible assets under development	98	2,140	1,904	2	332
Total	**98**	**2,140**	**1,904**	**2**	**332**

As at 31 March 2023

Particulars	As at 1 April 2022	Additions	Capitalisation during the year	As at 31 March 2023
Intangible assets under development	530	1,793	2,225	98
Total	**530**	**1,793**	**2,225**	**98**

(B) Ageing of Intangible assets under development :

As at 31 March 2024

Particulars	Amount in Intangible assets under development for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	332	-	-	-	332
(b) Projects temporarily suspended	-	-	-	-	-
Total	**332**	-	-	-	**332**

As at 31 March 2023

Particulars	Amount in Intangible assets under development for a period				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) Projects in progress	98	-	-	-	98
(b) Projects temporarily suspended	-	-	-	-	-
Total	**98**	-	-	-	**98**

Notes :

1. There are no projects as on 31 March 2024 and 31 March 2023 where the project timelines are overdue
2. There are no projects as on 31 March 2024 and 31 March 2023 where the cost exceeded the original plan approved by the Board of Directors.

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(All amounts in INR lakhs, unless otherwise stated)

6 Right of use assets*

Particulars	As at 31 March 2024	As at 31 March 2023
As at April 1	25,032	11,121
Add : Additions	12,397	16,298
Add: Adjustments	2	-
Less : Modifications / Terminations	4,634	2,387
As at March 31	**32,797**	**25,032**
Accumulated amortisation		
As at April 1	4,879	2,579
Add : Amortisation expense	4,676	2,570
Add. Adjustments	1	
Less : Modifications / Terminations	1,439	270
As at March 31	**8,117**	**4,879**
Net carrying value	**24,680**	**20,153**

*Also refer note 30.

7 (i) Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Security deposits	2,141	2,168
Lease receivables (Refer note 30)	7,462	4,698
Other deposits	109	10
	9,712	**6,876**

8 Income tax

a) The following is the analysis of deferred tax assets/(liabilities):

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	3,292	1,403
	3,292	**1,403**

Particulars	As at 1 April 2023	Recognised in other comprehensive income	Recognised in the statement of profit and loss	Recognised in retained earning	As at 31 March 2024
Deferred tax assets					
Provision for doubtful trade receivables	17	-	(13)	-	4
Property, plant and equipment	145	-	94	-	239
Employee benefits	345	95	63	-	503
Lease liabilities (net of Right-of-use assets)	240	-	271	-	511
Carryforward of Losses and unabsorbed depreciation	579	-	768	-	1,347
Provision for Property, plant and equipment	29	-	(0)	-	29
Provision for warranty	47	-	17	-	64
ESOP Liabilites	-	-	(4,822)	5,325	503
Others	-	-	92	-	92
	1,403	**95**	**(3,530)**	**5,325**	**3,292**

Particulars	As at 1 April 2022	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Recognised in retained earning	As at 31 March 2023
Deferred tax assets					
Provision for doubtful trade receivables	11	6	-	-	17
Property, plant and equipment	218	(73)	-	-	145
Employee benefits	233	86	27	-	346
Lease liabilities (net of Right-of-use assets)	156	84	-	-	240
Carry forward of Losses and unabsorbed depreciation	4,480	(3,901)	-	-	579
Provision for Property, plant and equipment	-	29	-	-	29
Provision for warranty	-	47	-	-	47
	5,098	**(3,723)**	**27**	**-**	**1,403**

b) Amounts recognised in statement of profit and loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expenses		
Current tax	3	4
Deferred tax	3,530	3,723
Income tax included in other comprehensive income on		
- Remeasurement of employee defined benefit plans	(95)	(27)
Tax expense for the year	**3,438**	**3,700**

c) The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	11,392	11,935
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	2,867	3,004
Effect of:		
Effect of utilisation of carryforward losses and unabsorbed depreciation against current years profit	663	719
Others	3	4
Income tax expense recognised in the statement of profit and loss	**3,533**	**3,727**

Note : From the Assessment Year 2022-23 onwards relevant to the previous year 2021-22, the Company has elected to exercise the option permitted under section 115BAA(1) of the Income-tax Act, 1961 after satisfying the conditions contained in section 115BAA(2) as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has not recognised Minimum alternative Tax ('MAT') under the provision for income tax for the year ended 31 March 2024 and computed deferred tax based on the rate prescribed in the said section primarily for the carried forward losses.

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d) The following table provides the details of income tax assets and income tax liabilities as of 31 March 2024 and 31 March 2023:

Particulars	As at 31 March 2024	As at 31 March 2023
Income tax assets (net)	1,016	215
Current tax liabilities (net)	-	-
Net current income tax assets at the end of the year	**1,016**	**215**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Net current income tax assets at the beginning of the year	215	115
Income tax paid	873	127
Refund received during the year *	72	27
Net current income tax assets at the end of the year	**1,016**	**215**

* During the year ended 31 March 2024, refund had been received for Assessment Year 2022-23 of Rs 78 Lakhs including Interest on refund amounting to Rs 6 Lakhs (previous year: refund had been received for Assessment Year 2021-22 of Rs 29.84 Lakhs including Interest on refund amounting to Rs 2.46 Lakhs)

9 Other non-current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Capital advances	269	671
Deferred rental deposit (Refer note below)	196	124
Prepayments	58	124
Balance with government authorities	6,060	2,344
	6,583	**3,139**

Note :
Deferred rental deposit represents discounted value of deposit as per Ind AS 109.

10 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials	9,241	12,545
Work-in-progress	1,550	1,289
Finished goods	73,604	61,835
Stock-in-trade	19,633	15,116
	104,028	**90,785**

Notes :
(i) The inventory includes gold purchased on loan from banks amounting to INR 40,220 lakhs (previous year: INR 20,931 lakhs)
(ii) Inventory includes 871 kg of Gold out of which 863 kg are hedged through gold loan from bank, future contracts and open orders and 8 kg are unhedged as at 31 March 2024. Carrying value of the gold pledged as security for loan is Rs 58,168 lakhs (Previous year : Inventory includes 775 kg of Gold out of which 767 kg are hedged through gold loan from bank, future contracts and open orders and 8 kg are unhedged as at 31 March 2023. Carrying value of the gold pledged as security for loan is Rs 46,064 lakhs)
(iii) Remaining value of inventories are given as security on pari-passu basis for bank overdraft and cash card. Also refer notes 18(i).
(iv) Refer point 3(vii) under significant accounting policies for mode of valuation
(v) Inventory lying with the job worker amounting to Rs 3,363 lakhs (Previous year : Rs. 3,393 lakhs)

11 Financial assets

(i) Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured		
Trade receivables, considered good	656	1,285
Receivables from related parties (Refer note 29)	12	32
Less: Allowance for doubtful trade receivables	-	-
	668	1,317
Trade receivables, credit impaired	16	-
Less: Allowance for doubtful trade receivables	(16)	-
	668	**1,317**

(a) Ageing of receivables :

As at 31 March 2024

Particulars	Outstanding for following periods from date of invoice: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	662	6	-	-	-	668
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	16	-	-	-	16
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**662**	**22**	-	-	-	**684**

As at 31 March 2023 :

Particulars	Outstanding for following periods from date of invoice: Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,208	109	-	-	-	1,317
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	**1,208**	**109**	-	-	-	**1,317**

(b) Movement in the expected credit loss allowance :

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	-	43
Provision created during the year	16	-
Bad debts written off during the year	-	(43)
Balance at the end of the year	**16**	**-**

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Financial assets (continued)

(ii) Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	516	110
Balances with banks :		
(i) in current account	1,655	571
(ii) in EEFC account	24	-
	2,195	681

Note : The balance under current account includes funds in transit primarily for credit card receipts yet to be credited to the Company of Rs 495 lakhs (Previous year: Rs 216 lakhs)

(iii) Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits placed for Gold hedging	309	-
Deposits under Lien (Refer note below)	195	178
Total	504	178

Note : Represents fixed deposits placed with banks for duty free gold purchased for export purpose and deposits placed for disputed due of indirect taxes

(iv) Loans receivable

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Employee loans	128	523
	128	523

(v) Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Lease receivables (Refer note 30)	1,151	649
Security deposits	208	85
Interest accrued on fixed deposits	26	20
Accrued Income (Refer note (b) below)	102	59
Other receivable (Refer note (a) below)	1,896	611
Refund receivable from government authorities	1,094	-
Margin money for gold future contracts	1,502	2,519
	5,979	3,943

Notes :
(a) Balance pertains to amount receivable from franchisee's towards day to day expenditure
(b) Accured income represents balance towards bill discounting for vendor invoices and duty drawback receivable.

12 Other current assets

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured, considered good		
Balance with government authorities (Refer Note (a) below)	11,996	10,911
Prepayments	843	707
Right to recover returned goods (Refer Note (b) below)	496	339
Other assets	2	8
Advance to suppliers	729	1,019
	14,066	12,984

Note:
(a) Balance with government authorities pertains current and non current GST credits of Rs.19,150 lakhs (Previous year: Rs. 13,255 lakhs) in respect to GST input credit, transitional credit, deemed credit and refund receivable.
(b) Right to recover returned goods represents the amount of goods expected to be received by the Company on account of sales return. Also, refer disclosure made under note 33

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13 Share capital

Particulars	As at 31 March 2024 No of shares	As at 31 March 2024 Amount	As at 31 March 2023 No of shares	As at 31 March 2023 Amount
Authorised share capital				
Equity share of Rs. 2 each with voting rights	49,953,234	999	49,953,234	999
Total authorised share capital	**49,953,234**	**999**	**49,953,234**	**999**
Issued, subscribed and fully paid up equity share capital				
Equity share of Rs. 2 each with voting rights	33,346,141	667	33,345,841	667
Total issued share capital	**33,346,141**	**667**	**33,345,841**	**667**

(i) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs. 2. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting.

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.

(ii) Shares reserved for issue under Employee Stock Option Scheme

During the financial year 2017-18, the Company introduced Caratlane Stock Option Plan 2017 ('the Plan'). This Plan supersedes the following stock options and stock option plans:

a. Executive Management Stock Option Scheme 2009
b. CaratLane Trading India Private Limited Stock Option Scheme for Consultants, 2013
c. Senior Management Stock Option Scheme, 2012

As per the plan, Board of Directors grants options to the employees of the Company. The vesting period of the option is one to four years from the date of grant. Options granted under the Scheme can be exercised within a period of six years from the date of vesting. For employees leaving the organization, an option can be exercised within 3 months from the date of resignation.

A maximum of 714,017 options are issuable under this plan. The movement in options issued are as below:

Particulars	For the year ended 31 March 2024	Weighted average exercise price	For the year ended 31 March 2023	Weighted average exercise price
Options outstanding at the beginning of the year	491,711	188	574,000	174
Options granted during the year	-	-	2,500	474
Options forfeited during the year	(27,100)	436	(9,000)	302
Options converted to cash settled during the year (Refer note below)	(464,311)	173		
Options exercised during the year	(300)	474	(75,789)	79
Outstanding at the end of the year	-	-	**491,711**	**188**
Options exercisable at the end of the year		-	**379,711**	133

Cash settled options

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Options outstanding at the beginning of the year	-	-
Options granted during the year	-	-
Options forfeited during the year	-	-
Options converted to cash settled during the year (Refer note below)	464,311	-
Options settled during the year	(411,499)	-
Outstanding at the end of the year	**52,812**	-

Note :

1. During the year ended 31 March 2024, Board on 13 December 2023 had approved the conversion of the exisitng ESOP plan to cash settled plan and approved cash settlement of outstanding Vested and unexercised Options to all eligible employees/ ex- employees on surrender of the said Vested and unexercised Options. The Board further approved the net cash payout of Rs. 20,083 Lakhs (adjusted for exercise price amounting to Rs. 608 Lakhs as applicable to the respective employees/ ex- employees) to be paid in lieu of the total 4,11,499 Vested and unexercised Options under the Company's ESOP Plan to the eligible employees/ ex-employees on surrender of the said Vested and unexercised Options.

Net change after adjusting the ESOP reserve with the consideration has been debited to retained earnings under the head of Other equity, amounting to INR 14,481 Lakhs (net of tax of INR 4,870 Lakhs). For unvested options, net change after adjusting the related ESOP reserve with the fair value on the date of modification of the plan has been debited to retained earnings under the head of Other equity, amounting to INR 1,349 Lakhs (net of tax of INR 454 Lakhs).

2. As at 31 March 2024, there are 52,812 options outstanding pending settlement, of which 16,200 have vested and 36,612 are unvested. These options have been fair valued at Rs.5,028 per option amounting to Rs.2,076 Lakhs. The impact of fair valuation of cash settled ESOP plan from the date of modification to 31 March 2024 has been debited to statement of profit and loss amounting to Rs.166 lakhs.

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(All amounts in INR lakhs, unless otherwise stated)

Fair value measurement

The fair value at grant date is determined using the Black-Scholes-Merton Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The weighted average remaining contractual life of the options outstanding as of 31 March 2023 under the Caratlane stock Options Plan was 6 years

The key inputs used in Black-Scholes-Merton Model for calculating fair value of options under the scheme as on the date of grant are as follows:

Particulars	31 March 2024	31 March 2023
No. of options granted	-	2,500
Date of grant	-	August 1 2022
Vesting period	-	For 1,375 options immediate vesting and 1,125 graded vesting over 4 years
Volatility rate (%)	-	33.71%
Risk free rate (%)	-	7.21%
Expected life of options (years)	-	5.0
Weighted average fair value per share (Rs.)	-	1,128

There are no options granted during the year ended 31 March 2024.

The fair value of the options is estimated using the Black-Scholes-Merton Model with the following assumptions:

Particulars	31 March 2024	Date of conversion 13 December 2023
Fair Value	5,027	5,027
Share Price	5,028	5,028
Risk free rate (%)	4.30%	4.30%
Adjusted Beta	0.78	0.78
Equity Risk premium	5% to 7%	5% to 7%
Country risk premium	1.60%	1.60%
India Inflation	4.00%	4.00%
US Inflation	2.00%	2.00%
Average Cost of Equity	12.70%	12.70%
No. of options	52,812	464,311

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13 Share capital (continued)

(ii) Shares reserved for issue under Employee Stock Option Scheme (continued)

The stock price of the Company is arrived using discounted cashflow. Implied volatility is the unit at which the price of shares of peer listed companies has fluctuated during the past period. The expected time to maturity/ expected life of the options is the period for which the Company expects the options to be alive, which has been taken as 10 years subject to adjustment of time lapses from the date of grant. The risk free rate considered for calculation is based on the yield on Government Securities for 10 years as on the date of valuation.

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

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount Rs. In lakhs	No. of shares	Amount Rs. In lakhs
Equity shares with voting rights				
At the beginning of the year	33,345,841	667	33,270,052	665
Add: Issue of shares pursuant to options being exercised by employees *	300	0	75,789	2
At the end of the year	**33,346,141**	**667**	**33,345,841**	**667**

* *Represents amount less than Rs.50,000*

iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of shares held	% holding	No. of shares held	% holding
Equity shares with voting rights				
Titan Company Limited (Refer notes below)	33,343,141	99.99%	24,036,320	72.08%
Mr. Mithun Padam Sacheti	-	0.00%	3,835,327	11.50%
Mr. Siddhartha Padamchand Sacheti	-	0.00%	3,700,000	11.10%
Mr. Padamchand Sacheti	-	0.00%	1,655,000	4.96%
Total	**33,343,141**	**100%**	**33,226,647**	**100%**

(v) Shareholding of promoters

Promoter name	As at 31 March 2024			As at 31 March 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Titan Company Limited (Refer notes below)	33,343,141	99.99%	39%	24,036,325	72.08%	-
Mr. Mithun Padam Sacheti	-	0.00%	-100%	3,835,327	11.50%	-
Mr. Siddhartha Padamchand Sacheti	-	0.00%	-100%	3,700,000	11.10%	-
Mr. Padamchand Sacheti	-	0.00%	-100%	1,655,000	4.96%	-

Notes :

1. During the year ended 31 March 2024, the Board in its meeting held on 28 November 2023 took on record the transfer of shares held by Mr. Mithun Padam Sacheti, the Founder and his family members, Mr. Siddhartha Padam Sacheti & Mr. Padamchand Sacheti (collectively, the Sellers) for purchase of 91,90,327 equity shares representing 27.56% of the total paid-up equity capital of the Company on a fully diluted basis to Titan Company Limited.
2. Includes shares held by directors jointly with Titan Company Limited and Nominee Directors

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14 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Securities premium *(Amounts received on issue of shares in excess of the par value has been classified as securities premium)*	41,149	41,141
Stock options outstanding account (Refer Note 13) *(Shares granted to employee under employee stock option plan)*	-	864
Retained earnings (Refer Note 13) *(Retained earnings comprise of the Company's prior years' losses after tax)*	(31,221)	(23,253)
Foreign currency translation reserve *(Represents reinstatement of foreign currency balances of subsidiary)*	(147)	(92)
Other comprehensive income *(Represents actuarial gain or loss on remeasurement of net defined benefit liability)*	(607)	(326)
	9,174	**18,334**

15 Financial liabilities - Non Current

i. Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost:		
Secured		
Long-term borrowings Term loan (Refer note 3 below)	-	219
Less: Current maturities of long-term borrowings	-	(219)
Unsecured		
Long-term borrowings Term loan (Refer note 1 & 2 below)	16,512	-
Less: Current maturities of long-term borrowings	(3,476)	-
	13,036	**-**

Notes :

1. During the year ended 31 March 2024 the Company has taken unsecured term loan amounting to Rs. 17,317 lakhs from HDFC Bank ltd for brand building activities. The interest rate on the term loan ranges between 7.48% to 7.94% per annum and payable over 60 equal monthly installments begining from January 2024.
2. During the year ended 31 March 2024 an amount of Rs.805 lakhs has been repaid relating to the above unsecured loan.
3. The loan outstanding as at 1 April 2023 amounting to Rs. 219 Lakhs has been repaid during the year which was secured against the corporate guarantee issued by Titan Company Limited at an interest rate of 0.5% per annum which has been discharged

ii. Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities (Refer note 30)	30,817	23,099
	30,817	**23,099**

iii. Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Rental deposit	580	362
Cash settled ESOP liability	260	-
	840	**362**

16 Other non-current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred rental liability	145	87
	145	**87**

Note :
Deferred rental liability represents discounted value of security deposit as per Ind AS 109.

17 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity [Refer note 31] - Long Term	1,137	693
	1,137	**693**

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(All amounts in INR lakhs, unless otherwise stated)

18 Financial liabilities - Current

i. Borrowings

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Bank overdraft and cash credit (Refer Note 1 and 3 Below)	35,827	33,238
Current maturities of long term borrowings	-	219
Unsecured		
Bill discounting (Refer Note 2 Below)	6,887	-
Bank overdraft and cash credit	-	1,993
Commercial paper (Refer Note 34)	-	21,262
Current maturities of long term borrowings (Refer Note 15(i))	3,476	-
	46,190	**56,712**

Notes :

1. Secured against the Company's inventory, receivables and Property, Plant and Equipment on pari-passu basis. The interest rate on the overdraft varies from 7.25% to 9.5% per annum and is payable at monthly intervals. The overdraft is payable on demand.
2. During the year ended 31 March 2024, the Company has entered into an arrangement with Receivable Exchange of India limited and with credit period ranging between 86 to 180 days and interest rate ranging between 7.05% to 7.50% towards reverse factoring of MSME payments.
3. The Company has filed statements as at the quarter end with the banks which are in agreement with the books of accounts as at respective quarter ends.

ii. Gold on loan

Particulars	As at 31 March 2024	As at 31 March 2023
Secured		
Payable to banks*	40,220	20,931
	40,220	**20,931**

*Secured against inventory and receivables. Includes amounts payable against gold purchased from various banks under gold on loan scheme. The interest rate of the gold on loan varies from 2.25% to 2.50% per annum as at 31 March 2024 and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of the delivery of gold

iii. Lease liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities [refer note 30] - Current	4,506	3,363
	4,506	**3,363**

iv. Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
Outstanding dues of micro and small enterprises [Refer note (b) below]	3,414	3,466
Outstanding dues of creditors other than micro and small enterprises		
- Creditors for goods	14,398	8,087
- Creditors for services	8,402	8,002
	26,214	**19,555**

(a) Ageing of Trade Payables :

As at 31 March 2024:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,414	-	-	-	-	3,414
(ii) Others	21,344	1,456	-	-	-	22,800
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	24,758	**1,456**	-	-	-	**26,214**

As at 31 March 2023:

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,462	-	4	-	-	3,466
(ii) Others	15,029	928	116	16	-	16,089
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
	18,491	**928**	**120**	**16**	-	**19,555**

(b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

There are no material dues owed by the Company to Micro and Small enterprises, which are outstanding for more than 45 days during the year and as at 31 March 2024. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

Particulars	As at 31 March 2024	As at 31 March 2023
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
- Principal	3,407	3,466
- Interest	-	-
(b) 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;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	7	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
	3,414	**3,466**

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management

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(All amounts in INR lakhs, unless otherwise stated)

Financial liabilities - Current (continued)

v. Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Capital creditors	112	217
Cash settled ESOP liability (Also Refer Note 13)	1,817	-
Interest payable	279	-
Employee payables	635	1,472
	2,843	**1,689**

19 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred rental deposit (Refer note below)	42	22
Statutory dues	554	624
Liability for sales return (Refer note 33)	758	512
Advance from franchisee	36	40
Advance from customers	8,437	5,726
Other	345	-
	10,172	**6,924**

Note :
1. Deferred rental deposit represents discounted value of deposit as per Ind AS 109.

20 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for gratuity (Refer note 31)	199	181
Provision for compensated absences (Refer note 31)	586	389
Provision for Income Tax	-	2
Provision for warranty	260	192
	1,045	**764**

Note a: Provision for warranty
Movement below is for provision of warranty during the year:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening balance	192	105
Provisions made during the year.	341	158
Utilisations / reversed during the year	(273)	(71)
Provision at the end of the year	**260**	**192**

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21 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Export	288	275
Domestic	290,202	216,606
Sale of products	**290,490**	**216,881**
Other operating revenue (Refer Note below)	17,604	-
	308,094	**216,881**

Note :
During the year ended 31 March 2024, the Company sold gold bullion amounting to Rs.17,604 lakhs to various customers dealing in bullion which is disclosed as other operating revenues.

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Contracted price	356,564	255,355
Reduction towards variable consideration	48,470	38,474
Revenue recognised	**308,094**	**216,881**

The reduction towards variable consideration comprises of scheme discounts, incentives, etc.

22 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Franchisee signining fees	373	360
Deferred rental income	151	131
Rent deposit equalization	30	55
Net Gain on termination of leases	388	-
Interest income on financial assets carried at amortised cost	692	553
Net gain on sale of property, plant and equipment	100	38
Net gain on sale of current investments	53	3
Net gain or loss on foreign currency translation	111	191
Rental Income	155	76
Interest on Margin Deposit	103	10
Export duty drawback	126	129
Miscellaneous income	260	362
	2,542	**1,908**

23 (a) Cost of material consumed

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventories of Raw materials at the beginning of the year	12,545	12,483
Add: Purchases	198,071	160,704
Less: Inventories of Raw Materials at the end of the year *	(9,271)	(12,545)
	201,345	**160,642**

* Includes stock classified as assets held for sale (Refer note 38)

23 (b) Purchases of stock-in-trade

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchases of traded goods	24,359	16,593
	24,359	**16,593**

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23 (c) Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Finished goods		
- Closing stock *	75,047	61,835
- Opening stock	61,835	32,649
	(13,212)	**(29,186)**
Work-in-progress		
- Closing stock	1,550	1,289
- Opening stock	1,289	1,078
	(261)	**(211)**
Stock-in-trade		
- Closing stock	19,633	15,116
- Opening stock	15,116	7,730
	(4,517)	**(7,386)**
Increase in inventory	**(17,990)**	**(36,783)**

* Includes stock classified as assets held for sale (Refer note 38)

24 Employee benefits expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus	14,734	11,737
Contribution to provident and other funds (Refer Note 31)	398	328
Staff welfare expense	1,496	1,191
Gratuity expenses (Refer Note 31)	259	174
Employee share based payment expense (Refer Note 13)	148	113
	17,035	**13,543**

25 Finance cost

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings (Refer note below)	5,003	3,004
Interest on lease liabilities (Refer Note 30.2)	3,089	1,640
Others	25	17
	8,117	**4,661**

Note:
Interest on borrowing includes Interest on Gold on Loan of Rs.737 Lakhs and Interest on Bank overdraft of Rs 4,266 Lakhs for the year ended 31 March 2024 (Previous year : Interest on Gold on Loan 654 Lakhs and Interest on Bank overdraft of Rs.2,350 Lakhs)

26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment (Refer Note 5(i))	2,204	1,180
Depreciation of right of use asset (Refer Note 5)	4,676	2,570
Amortisation of intangible assets (Refer Note 5(ii))	1,523	811
	8,403	**4,561**

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(All amounts in INR lakhs, unless otherwise stated)

27 Other expenses

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Advertising	22,520	17,154
Agent commission	19,926	13,736
Rent (Refer note 30)	461	506
Freight and forwarding	2,618	2,047
Travelling and conveyance	921	824
Professional service charges	3,934	3,641
Bank charges	960	809
Software expenditure	3,019	1,571
Bad debts written off (Net of provision)	1	-
Power and fuel	602	365
Communication expenses	153	118
Rates and taxes	179	216
Director sitting fee (Refer note 29)	60	29
Repairs and maintenance	1,181	774
Payments to auditors (Refer 27.1 below)	55	79
Corporate Social Responsibility (Refer 27.2 below)	148	18
Property, plant and equipment written off	24	96
Intangible assets written off	3	20
Stores and consumables	345	264
Royalty (Refer note 29)	456	322
Miscellaneous expenses	409	1,048
	57,975	**43,637**

Notes :

27.1 (i) Payment to auditors (Excluding taxes)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
For statutory audit	28	28
For tax audit	2	2
For limited review	24	24
Reimbursement of out-of-pocket expenses	1	1
	55	**55**

27.2 Corporate Social Responsibility:

(i) Gross amount approved by the board and required to be spent towards corporate social responsibility by the Company during the year: Rs. 148 lakhs

(ii) Amount spent during the year on:

Particulars	For the year ended	
	31 March 2024	31 March 2023
1. Amount approved by the board to be spent during the year	148	17
2. Amount required to be spent by the company during the year	148	17
3. Amount of expenditure incurred on:		
-Construction/acquisition of any asset	-	-
- On purposes other than above	76	18
4. Excess/(Shortfall) at the end of the year	(72)	1
5. Total of previous years shortfall	-	-
6. Reason for short fall	-	-
7. Nature of CSR Activities	Health, Education, Skill development, Disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship	Health, Education, Skill development, Disaster relief, Wellness and Water, Sanitation and Hygiene, Entrepreneurship

(iii) CSR Contribution to Related parties

Particulars	31 March 2024	31 March 2023
Related Parties	-	-
Unrelated parties	76	18

(iv) Details of Unspent obligations :

Particulars	For the year ended 31 March 2024
Opening Balance as at 1 April 2023	-
Amount required to be spend during the year	148
Amount spent during the year from Company's bank account	76
Amount spent during the year from separate CSR unspent account	-
Closing Balance with Company	20
Closing Balance in separate CSR unspent account	52

(All amounts in INR lakhs, unless otherwise stated)

28 Earnings per share

Reconciliation of basic and diluted shares used in computing per share

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Basic and diluted profit per share		
Profit after tax	7,859	8,208
Number of weighted average shares considered for calculation of basics earning per share	33,346,125	33,296,665
Add : Dilutive effect of stock options	319,005	213,096
Number of weighted average shares considered for calculation of diluted earning per share	33,665,129	33,509,761
Earning per share		
Nominal value of share (in INR)	2	2
Earnings per share - Basic (in INR)	23.57	24.65
Earnings per share - Diluted (in INR)	23.34	24.49

29 Related party disclosures

i) Relationship

a) Holding company : Titan Company Limited

b) Key management personnel :
Mr. Avnish Anand, Managing Director (w.e.f 2 January 2024)
Mr. Avnish Anand, Chief executive officer (w.e.f 1 September 2023 to 1 January 2024)
Mr. Mithun Padam Sacheti, Managing Director (Resigned w.e.f 28 November 2023)
Mr. Bhaskar Bhat, Non-executive Director
Mr. Ashok Kumar Sonthalia, Director
Mr. C K Venkataraman, Non-executive Director (w.e.f 22 December 2022)
Mr. Haresh Ram Chawla, Independent Director
Mr. Sandeep Anant Kulhalli, Non-executive Director (Resigned w.e.f. 9 November 2022)
Mr. Ajoy Hiro Chawla, Non-executive Director
Ms. Neelam Chhiber, Independent Director
Mr. Manoj Bhanawat, Chief Financial Officer
Ms. Ahona Das, Company Secretary (Resigned w.e.f 31 March 2024)
Mr. Neeraj Rawat, Director

c) Enterprises in which Key Management Personnel or relative of Key Management Personnel has significant influence:
Microgo, LLP (till 28 November 2023)
Jaipur Gems and Handicrafts Private Limited (till 28 November 2023)
Starfire Gems Private Limited (till 28 November 2023)
Luxury Online Retail India Private Limited (till 28 November 2023)
M/s Yashrey (till 28 November 2023)

d) Group entity: Tata Sons Private Limited

e) Fellow Subsidiary: Titan Commodity Trading Limited

Transactions with the related parties during the year are set out in the table below:

Name of the related party	Nature of transaction	For the year ended 31 March 2024	For the year ended 31 March 2023
Jaipur Gems and Handicrafts Private Limited	Sale of products	-	980
	Reimbursement of expenses - Payable	22	12
Starfire Gems Private Limited	Purchase of goods	18	113
	Sale of products	8	-
	Rent payable	11	22
Tata Sons Private Limited	Royalty expense	451	-
Titan Company Limited	Purchase of goods	-	89
	Royalty expense	5	322
	Other Income	-	8
	Rent and miscellaneous income	128	34
	Reimbursement of expenses - Encircle	30	14
	Insurance, salary and other expenses	538	492
	Interest on Corporate guarantee *	0	3

* *Represents amount less than Rs.50,000*

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29 **Related party disclosures (continued)**

Transactions with the related parties during the year are set out in the table below (Contd):

Name of the related party	Nature of transaction	For the year ended 31 March 2024	31 March 2023
Titan Commodity Trading Limited	Commodity Trading Transactions	554	509
	Cash Margin money	116	1,386
	Interest income	103	10
	Commission on commodity trading services	17	4
M/s Yashrey	Rent	310	103
	Security Deposit	-	207
Key management personnel	Short term employee benefits	6,199	393
	Long term employee benefits	40	-

Transactions with the related parties during the year are set out in the table below:

Name of the related party	Nature of transaction	For the year ended 31 March 2024	31 March 2023
Neelam Chhiber	Sitting fees	19	11
Haresh R Chawla	Sitting fees	16	8
Bhaskar Bhat	Sitting fees	15	6
Sandeep Anant Kulhalli	Sitting fees	-	4
Neelam Chhiber	Commission to Directors*	21	-
Haresh R Chawla	Commission to Directors*	21	-
Bhaskar Bhat	Commission to Directors*	14	-
Sandeep Anant Kulhalli	Commission to Directors*	4	-
Microgo LLP	Reimbursement of expenses/services - Receivable	-	4

* excludes provision for commission payable to directors for year ended 31 March 2024 amounting to Rs.81 Lakhs

Balances as on balance sheet date

Name of the related party	Nature of transaction	As at 31 March 2024	As at 31 March 2023
Titan Company Limited	Trade payable	3	2
	Royalty Payable	5	324
	Trade receivable	12	32
	Advance to supplier	23	-
M/s Yashrey	Security Deposit	-	207
Starfire Gems Private Limited	Trade payable	-	4
	Security deposit	-	6
Tata Sons Private Limited	Royalty Payable	451	-
Titan Commodity Trading Limited	Cash margin receivable	1,502	1,386
	Interest receivable	25	10
	Trade payable	112	-
Key management personnel	Long term employee benefits	60	20
	Short term employee benefits	22	16

Notes:
a) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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30 Leases

30.1 Amounts recognised in balance sheet

Particulars	Note	As at 31 March 2024	As at 31 March 2023
(i) Right-of-use assets	6		
Buildings		24,680	20,153
(ii) Lease liabilities			
Non-current	15(ii)	30,817	23,099
Current	18(iii)	4,506	3,363
		35,323	**26,462**
(iii) Lease receivables			
Non-current	7(i)	7,462	4,698
Current	11(v)	1,151	649
		8,613	**5,347**

30.2 Amounts recognised in the statement of profit and loss

Particulars	Note	As at 31 March 2024	As at 31 March 2023
(i) Depreciation and amortisation expense			
Buildings	26	4,676	2,570
(ii) Interest expense (included in finance cost)	25	3,089	1,640
(iii) Interest income on sub-lease (included in other income)	22	692	553
(iv) Expense relating to short-term leases	25	192	183
(v) Expense relating to variable lease payments	25	23	17

(a) Short-term lease has been accounted for applying paragraph 6 of Ind AS 116 - lease and accordingly recognized as expenses in the consolidated statement of profit and loss.
(b) The total cash outflow net of sublease receipts for the year ended 31 March 2024 amounts to Rs.6,731 lakhs. (Previous year : Rs.3,005 Lakhs)

30.3 Maturity Analysis of Lease Payments

Particulars	As at 31 March 2024	As at 31 March 2023
Upto 1 year	5,472	4,201
1 to 2 years	5,236	3,956
2 to 3 years	5,087	3,704
3 to 4 years	4,550	3,516
4 to 5 years	3,544	2,934
Above 5 years	14,022	10,755
Total	**37,911**	**29,066**

31 Employee benefit obligations

a) Defined contribution plan

The contributions recognized in the consolidated statement of profit and loss during the year are as under:

Particulars	As at 31 March 2024	As at 31 March 2023
Employee provident fund	397	320
Employee state insurance	1	7

b) Defined benefit plan - Gratuity (non-funded)

Under the defined benefit plan, the company provides for a lumpsum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the company.

The plan typically exposes the company to actuarial risk such as interest risk and salary risk.

Interest risk	A movement in the bond interest rate will impact the plan liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants, as such an increase in the salary of the plan participants and vice-versa.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate (p.a.)	7.20%	7.30%
Salary escalation rate (p.a.)		
- Corporate	10.95%	10.78%
- Non-corporate	10.60%	9.76%
- Manufacturing	11.09%	9.35%
Attrition rate		
- Corporate	22.33%	26.67%
- Non-corporate	22.67%	24.00%
- Manufacturing	4.00%	6.67%

- The employees of the Company are assumed to retire at the age of 58 years.
- The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2012-14) Ult table.

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(All amounts in INR lakhs, unless otherwise stated)

Sensitivity analysis

The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	For the year ended 31 March 2024	
	Discount rate	Escalation rate
Defined benefit obligation when a plus 50 bps for respective rates is applied	1,296	1,378
Defined benefit obligation when a minus 50 bps for respective rates is applied	1,379	1,297

Particulars	For the year ended 31 March 2023	
	Discount rate	Escalation rate
Defined benefit obligation when a plus 50 bps for respective rates is applied	854	893
Defined benefit obligation when a minus 50 bps for respective rates is applied	896	857

Maturity profile	As at 31 March 2024	As at 31 March 2023
Expected benefits for year 1	199	181
Expected benefits for year 2	185	161
Expected benefits for year 3	185	139
Expected benefits for year 4	183	127
Expected benefits for year 5	164	109
Expected benefits in next 5 years and above	1,483	637

Components of defined benefit costs recognised in the consolidated statement of profit and loss are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Current service cost	202	140
Interest on net defined benefit liability	57	34
Total expense charged to the consolidated statement of profit and loss	**259**	**174**

Components of defined benefit costs recognised in other comprehensive income are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Actuarial loss / (gain) arising from change in financial assumptions	66	(24)
Actuarial loss / (gain) arising from change in demographic assumptions	49	0
Actuarial loss / (gain) arising on account of experience changes	261	131
Remeasurements during the year	**376**	**107**

The service cost and the net interest expense for the year are included in the 'Salaries, wages and bonus' line item in the consolidated statement of profit and loss. The remeasurement of the net defined liability is included in other comprehensive income. The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Opening defined benefit liability	874	629
Current service cost	202	141
Interest on defined benefit obligations	57	34
Amount recognised outside the consolidated statement of profit and loss account		
- Actuarial loss / (gain) arising from change in financial assumptions	66	(24)
- Actuarial loss / (gain) arising from change in demographic assumptions	49	-
- Actuarial loss / (gain) arising on account of experience changes	261	131
Benefits paid	(173)	(37)
Closing defined benefit liability	**1,336**	**874**

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31 Employee benefit obligations (continued)

c) Compensated absences

This provision covers the Company's liability for earned leave.

Provision as at 31 March 2024 amounting to Rs. 253 lakhs (2023: Rs. 130 lakhs) is presented as current, since the company does not have an unconditional right to defer the settlement for atleast twelve months after the reporting date.

Similar assumptions have been made as per the defined benefit plan.

The service cost and the net interest expense for the year are included in the 'Salaries, wages and bonus' line item in the statement of profit and loss. The remeasurement of the net liability is included in other comprehensive income. The amount included in the consolidated balance sheet arising from the entity's obligation in respect of its compensated absences is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Compensated absences		
Current	586	389
	586	**389**

32 Operating segment

The Chief Operating Decision Maker ('CODM') evaluates the Company's performance and allocates resources based on analysis of various performance indicators by industry classes. The Managing Director have been identified as the CODM.Accordingly, segment information has been presented for industry classes. The operating segment has been identified to be "Jewellery" as the CODM reviews business performance at an overall Company level as one segment.

33 Right to recover returned goods and Liability for sales return

The Company has a return policy whereby customers can return the jewellery purchased by them within a period of 15 days. Therefore based on the expected sales return the company creates a liability for sales return on the sale value and corresponding right to recover returned goods towards cost of sales for such sales return in the financial statement for the year ended 31 March 2024.

Nature	As at 31 March 2024	As at 31 March 2023
Liability for sales return		
Opening balance	512	382
Less: Provision reversed towards sales returns	(512)	(382)
Add: Provision towards sales return created	758	512
Closing balance	**758**	**512**
Right to recover returned goods		
Opening balance	339	264
Less: Provision reversed towards sales returns	(339)	(264)
Add: Provision towards sales return created	496	339
Closing balance	**496**	**339**

34 Commercial paper

The following tables set forth, for the period indicated, details of commercial paper:

31 March 2024

Maturities	0-1 Month	2-3 Months	4-6 Months
Face value	-	-	-
Carrying value	-	-	-

31 March 2023

Maturities	0-1 Month	2-3 Months	4-6 Months
Face value	-	21,500	-
Carrying value	-	(21,262)	-

The following tables set forth, ratings assigned by credit rating agency at 31 March 2024

Instrument	ICRA	CRISIL
Commercial paper	ICRA [A1+] (Reaffirmed)	CRISIL AA+/Stable (Reaffirmed)

(b) Movement of Commercial Paper :

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening Balance	21,262	14,864
Additions during the year	61,930	93,426
Repayments during the year	83,192	87,028
Closing balance	-	**21,262**

Note : As on 31 March 2024, the Company has repaid all it's commercial paper, accordingly the Company believe SEBI (LODR) is not applicable for the Company

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35 Contingent liabilities and commitments

(a)

Particulars	As at 31 March 2024	As at 31 March 2023
- Guarantees excluding financial guarantees	-	-
- Claims against the Company not acknowledged as debts:		
Sales tax matters (refer note (i) below)	-	677
- Other money for which the Company is contingently liable	-	-

(b) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act,1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Company has made a provision for provident fund contribution based on it's interpretation of the said judgement. The Company will evaluate its position and update its provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.

(c) During the previous year, the Company received Show Cause Notice ('SCN') dated 28 March 2022, from the office of the Directorate of Enforcement, Government of India ('DOE') alleging that the Company received Foreign Direct Investment ('FDI') during the year(s) 2011 to 2014 in lieu of issue of shares to overseas investor, which was utilised in Single Brand Retail Trading activities without prior approval from the RBI. The show-cause notice pertained to an alleged violation of FEMA Rules as Foreign Direct Investment in single-brand retail was not permitted under automatic route in above stated periods.

The Company, based upon the management briefing, approached a former Chief Justice of India who had opined that CaratLane was not in violation of the FEMA rules as at the relevant period, it was only engaged in B2B sales and was not in retail trade. Furthermore, during the year, the Company filed detailed reply to the DOE with clarification vide their letter dated October 28, 2022. Thereafter the Company also preferred a Writ Petition bearing No. 30893 of 2022 ("Writ Petition"), filed before the Hon'ble High Court of Judicature at Madras ('Hon'ble Court'), challenging the SCN and proceedings before DOE. The same was heard by the Hon'ble Court on November 21, 2022, and DOE was directed to file a counter-affidavit as its response, within 4 weeks. However, as on date, no response has been filed by DOE and the time period for filing the same has also lapsed. The listing of the matter for hearing before Hon'ble Court has not been notified till date.

Based on the legal opinion received and its assessment of transactions and provisions of FEMA Rules for the years under consideration, the Management considered that no provision is required to be carried in the financial statements for the year ended 31 March 2024 in relation to the above matter. The Management would evaluate this position in subsequent years, based on outcome of proceedings before the Hon'ble Court and DOE.

(d) CENVAT demand order for Rs. 677 Lakhs was raised by the Principal Commissioner, Chennai Nungambakkam office vide Order No. 47/2022 CH.N.GST dated 28.03.2022. During the year upon hearing the proceedings were dropped by the principal commissioner vide order no. 10/2023 CH.N.GST dated 27.12.2023 with no demand and hence no contingency in this regard.

Note:

(i) The above amounts are based on the notice of demand or the Assessment Orders or notification by the relevant authorities, as the case may be, and the Company is contesting these claims with the respective authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decisions of the appellate authorities and the Company's rights for future appeals before the judiciary. No reimbursements are expected.

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(All amounts in INR lakhs, unless otherwise stated)

36 Financial instruments

36.1 Categories of financial instruments

Financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
a. Measured at amortised cost		
- Loans to employees (Refer note 11(iv))	128	523
- Security and other deposits (Refer note 7(i) and note 11(v))	2,458	2,263
- Trade receivables (Refer note 11(i))	668	1,317
- Cash and cash equivalents (Refer note 11(ii))	2,195	681
- Other bank balances (Refer note 11(iii))	504	178
- Lease receivables (Refer note 7(i) and note 11(v))	8,613	5,347
-Other financial assets	4,620	3,209
Total financial assets measured at amortised cost	**19,186**	**13,518**
Total financial assets	**19,186**	**13,518**

Financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
a. Measured at fair value through profit or loss ("FVTPL")		
- Gold on loan	40,220	20,931
Total financial liabilities measured at FVTPL (a)	**40,220**	**20,931**
a. Measured at amortised cost		
- Borrowings	59,226	56,712
- Rental deposits	840	362
- Trade payables	26,214	19,555
- Lease liabilities	35,323	26,462
- Other financial liabilities	2,843	1,689
Total financial liabilities measured at amortised cost (b)	**124,446**	**104,780**
Total financial liabilities (a + b)	**164,666**	**125,711**

36.2 (i) Fair value hierarchy

This note explains about basis for determination of fair values of various financial assets and liabilities:

Particulars	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value - March 31, 2024				
Financial liabilities				
- Gold loan	40,220	-	-	40,220
Total financial assets	**40,220**	-	-	**40,220**

Particulars	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value - March 31, 2023				
- Gold loan	20,931	-	-	20,931
Total financial assets	**20,931**	-	-	**20,931**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds. The fair value of all equity instruments that are traded in the stock exchanges is valued using the closing price at the reporting period. The mutual funds are valued using the closing net asset value. Gold loan which are to be repaid based on quoted price as on the date of the repayment. The Gold loan has been valued at the closing gold rates.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case of unlisted instruments, deposits, employee loans etc.

(ii) Valuation technique used to determine fair value

Specific value techniques used to value financial instruments include:
- the use of quoted market prices for listed instruments
- the fair value of remaining financial instruments is determined using discounted cash flow analysis

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying values of financial assets and liabilities approximate the fair values.

Financial risk management

The Company has in place a Risk management framework to identify, evaluate business risks and challenges across the Company both at corporate level as also separately for each business division. These risks include market risk, credit risk and liquidity risk.
The Company minimises the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of derivative financial instruments and investment of excess liquidity is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.
The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

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(All amounts in INR lakhs, unless otherwise stated)

Financial instruments (continued)

36.3 **Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company deals majorly with creditworthy counterparties and obtains sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. Credit risk is managed by the Company through approved credit norms, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. Credit risk arises principally from the Company's receivables from customers. Credit risk on liquid funds is limited because the counterparties are banks. Refer note 11(ii) for the disclosures for trade receivables.

36.4 **Liquidity risk**

The Company invests its surplus funds from time-to-time in various short-term instruments. Security of funds and liquidity shall be the primary consideration while deciding on the type of investments. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Liquidity risk tables

The following table below analyses the Company's financial liabilities into relevant maturity groupings based on their maturities for all non-derivative financial liabilities that are not settled.
The tables have been drawn on an undiscounted basis based on the earliest date on which the Company can be required to pay.

Particulars	As at 31 March 2024	As at 31 March 2023
Secured bank overdraft/term loan facility, payable		
- amount used	35,827	35,450
- amount unused	20,173	10,188
Secured gold on loan facility, payable		
- amount used	40,220	20,931
- amount unused	4,780	36,644

Liquidity and interest risk tables

The following tables details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn on an undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Contractual maturities of financial liabilities	Less than 3 months	> 3 months	Total
As at 31 March 2024			
Non-derivative			
- Security deposits	2	838	840
- Borrowings	42,718	16,714	59,432
- Trade payables	26,214	-	26,214
- Gold loan	17,260	23,034	40,294
- Lease liabilities	1,785	45,747	47,532
- Other financial liabilities	2,118	1,285	3,403
Total non-derivative liabilities	**90,097**	**87,618**	**177,715**

Contractual maturities of financial liabilities	Less than 3 months	> 3 months	Total
As at 31 March 2023			
Non-derivative			
- Security deposits	19	343	362
- Borrowings	56,711	-	56,711
- Trade payables	18,643	912	19,555
- Gold loan	12,601	8,330	20,931
- Lease liabilities	815	25,647	26,462
- Other financial liabilities	1,687	2	1,689
Total non-derivative liabilities	**90,477**	**35,234**	**125,711**

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Financial instruments (continued)

36.5 Market risk

The market risks to which the Company is exposed are price risk and foreign currency risk.

Price risk

The Company is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold

To manage the variability in cash flows, the Company enters into derivative financial instruments to manage the risk associated with gold price fluctuations relating to all the highly probable forecasted transactions. Such derivative financial instruments are primarily in the nature of future commodity contracts and forward foreign exchange contracts. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan.

The use of such derivative financial instruments is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Company's risk management strategy.

As the value of the derivative instrument generally changes in response to the value of the hedged item, the economic relationship is established.

The following table gives details of contracts as at the end of the reporting year:

Fair value hedges Sell future contracts:

Particulars	Nature of Hedge	Average rate (Per gram)	Quantity of hedge instruments (Kgs)	Nominal amount
31 March 2024	Fair value	6,770	171	11,577
31 March 2023	Fair value	5,829	355	20,692

Fair value hedge

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in gold prices. Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. Therefore, there will be no impact of the fluctuation in the price of the gold on the Company's profit for the period

The table below shows the position of hedging instruments and hedged items as on the balance sheet date:

As at 31 March 2024:

Commodity price risk	Carrying value of		Maturity date	Impact of fair value hedge	Disclosure in balance sheet
	Hedged item	Hedging instrument			
Hedged item - fixed gold	11,577	-	3 months	(483)	Inventories
Hedging instrument - derivatives	-	(1)	Upto 6 months	(1)	Other financial assets/ other liabilities

As at 31 March 2023 :

Commodity price risk	Carrying value of		Maturity date	Impact of fair value hedge	Disclosure in balance sheet
	Hedged item	Hedging instrument			
Hedged item - fixed gold	20,692	-	2 months	2	Inventories
Hedging instrument - derivatives	-	-		-	Other financial assets/ other liabilities

Foreign currency risk management

The Company is exposed to foreign exchange risk arising through its sales and purchases denominated in various foreign currencies

(i) The risk management strategy on foreign currency exchange fluctuation arising on account of purchase/ sale of gold is covered above

(ii) In respect of normal purchase and sale transactions denominated in foreign currency, contracts are measured at fair value through the consolidated statement of profit and loss

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows:

Currency	Liabilities as at		Assets as at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Outstanding in USD *	5	7	0	0
Outstanding in INR	405	569	28	32

Represents amounts less than 50,000

Foreign currency sensitivity analysis

The Company is mainly exposed to USD. The Company's sensitivity to a 1% increase and decrease in the INR against the relevant foreign currencies is presented below:

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. There is an increase in profit or equity by Rs 4 lakhs where the INR strengthens 1% against the relevant currency. For a 1% weakening of the INR against the relevant currency, there would be a comparable decrease in profit or equity.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

The Company is subject to variable interest rates on some of its interest bearing liabilities. The Company's interest rate exposure is mainly related to debt obligations. The Company also uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like short term loans.

As at 31 March 2024 and 31 March 2023, financial liabilities of Rs 59,226 Lakhs and Rs 56,711 Lakhs, respectively, were subject to variable interest rates.

The model assumes that interest rate changes are instantaneous parallel shifts in the yield curve. Although some assets and liabilities may have similar maturities or periods to re-pricing, these may not react correspondingly to changes in market interest rates. Also, the interest rates on some types of assets and liabilities may fluctuate with changes in market interest rates, while interest rates on other types of assets may change with a lag

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

For a 1% increase/decrease in interest rate, there is a increase/decrease of 592 lakhs in finance cost.

37 Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs 938 lakhs (Previous year: Rs 1,048 lakhs)

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38 Assets and liabilities held for sale

See accounting policy in Note 3(vi)
Company runs its silver business under the brand name "Shaya". Revenue for the year ended 31 March 2024 is Rs 4,970 Lakhs and EBITDA for the year ended 31 March 2024 is Rs. (1,170) Lakhs.

The Company in the Board meeting held on 26 March 2024 received an in-principle approval from the Board of Directors is looking for a suitable buyer to sell its Shaya business. Management expects the transaction to be highly probable within the next financial year

A. Assets and liabilities of disposal group held for sale

As at 31 March 2024, the disposal group was stated at lower of cost or fair value less cost to sell and comprised the following assets and liabilities

Particular	Amount
Assets :	
Property, plant and Equipment	166
Inventories	1,472
Trade receivables	98
Advance to Supplier	70
Assets held for sale	**1,806**
Liabilities :	
Trade payables	120
Liabilities held for sale	**120**

B. Cumulative income or expenses included in OCI

There are no cumulative income or expenses included in OCI relating to the disposal group.

C. Measurement of Fair Values

The fair value of assets and liabilities held for sale has been catergorised as Level 3 fair value.

39 The Group has incorporated a subsidiary namely StudioC Inc on 11 February 2021. In the current financial year Caratlane made an investment of $ 1,50,000 in StudioC.
The subsidiary company which is included in consolidation and the Company's holdings therein is as under:

Name of the subsidiary	Country of incorporation	Holding % 31 March 24	Holding % 31 March 24	Holding % 31 March 23	Holding % 31 March 23
StudioC Inc	United States	100%	100%	100%	100%

Additional information pursuant to para 2 of general Instructions for the preparation of Consolidated Financial Statements:
Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the 2013 Act

Name of the Entity	As at 31 March 2024				As at 31 March 2023			
	Net assets, i.e., total assets minus total liabilities		Consolidated profit after tax		Net assets, i.e., total assets minus total		Consolidated profit	
	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit	Amount
Parent : CaratLane Trading Private Limited	154%	15,179	128%	10,077	116%	22,061	125%	10,229
Subsidiary: StudioC Inc	-51%	(5,030)	-28%	(2,179)	-15%	(2,797)	-24%	(2,001)
Adjustment arising out of consolidation	-3%	(308)	-1%	(39)	-1%	(262)	0%	(21)
	100%	**9,841**	**100%**	**7,859**	**100%**	**19,002**	**100%**	**8,208**

Name of the Entity	As at 31 March 2024				As at 31 March 2023			
	Share in other comprehensive income		Total comprehensive income		Share in other comprehensive income		Total comprehensive income	
	As % of consolidated other comprehensive income	Amount	As % of total other comprehensive income	Amount	As % of consolidated other comprehensive income	Amount	As % of total other comprehensive income	Amount
Parent : CaratLane Trading Private Limited	84%	(281)	130%	9,796	43%	(80)	127%	10,149
Subsidiary: StudioC Inc	0%	-	-29%	(2,179)	1	(105)	-26%	(2,106)
Adjustment arising out of consolidation	16%	(55)	-1%	(94)	-	-	0%	(21)
	100%	**(336)**	**100%**	**7,523**	**100%**	**(185)**	**100%**	**8,023**

39 Capital management

The Company's policy to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors, creditors and market confidence and to sustain future development and growth of its business. In order to maintain the capital structure, the Company monitors the return on capital, as well as level of dividends to equity shareholders. The Company aims to manage its capital efficiency so as to safeguard it ability to continue as a going concern and to optimize returns to all its shareholders. For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves and debt is included as a part of borrowings and gold loan.

Particulars	As at 31 March 2024	As at 31 March 2023
Total debt *	59,226	56,712
Total equity	9,841	19,002
Debt to equity ratio	6.02	2.98

* Total debt includes only borrowing. Gold on loan and lease liabilities has not been considered for the purpose of above.

40 Other statutory information :
(i) The Group does not have any Benami property or any proceeding which is pending against the Company for holding any Benami property.
(ii) The Group do not have any transactions with companies struck off.
(iii) The Group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
(iv) The Group has not traded or invested in crypto currency or virtual currency during the financial year.
(v) The Group is not classified as willful defaulter.
(vi) The Group doesn't have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey.

(vii) 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 Group to or in any other person(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(viii) No funds have been received by the Group from any person(s) or entity(is), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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

(ix) The Group has not revalued its property, plant and equipment (including right to use asset) or intangible assets or both during the current or previous year.
(x) The Group has complied with the number of layers prescribed under the Companies Act, 2013
(xi) The Group has not entered into any scheme of arrangement which has an accounting impact in the current or previous financial year

As per our report of even date attached

for **B S R & Co. LLP**
Chartered Accountants
Firm registration number: 101248W/ W-100022

Arjun Ramesh
Partner
Membership No. 218495
Place: Bengaluru
Date: 25 April 2024

for and on behalf of the Board of Directors of
CARATLANE TRADING PRIVATE LIMITED
(CIN: U52393TN2007PTC064830)

Avnish Anand
Managing Director
DIN: 10359814
Place: Mumbai
Date: 25 April 2024

Ashok Kumar Sonthalia
Director
DIN: 03259683
Place: Bengaluru
Date: 25 April 2024

Manoj Bhanawat
Chief Financial Officer
Place: Bengaluru
Date: 25 April 2024