



## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors

**Konnect Style Retail Private Limited**

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

### Opinion

We have audited the accompanying special purpose interim financial statements of **Konnect Style Retail Private Limited ('the Company')**, which comprise the Statement of Assets and Liabilities, as at December 31, 2023, the Statement of Profit and Loss, (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the period May 13, 2023 to December 31, 2023, and notes to the interim financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the special purpose interim financial statements") prepared by the company to the extent required by **Bazaar Style Retail Limited ('the Holding Company')** to prepare consolidated financial statements for the period ended December 31, 2023.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose interim financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") as amended, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the period May 13, 2023 to December 31, 2023.

### Basis for Opinion

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

### Management's Responsibility for the Interim Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these interim financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the



provisions of the Act for safeguarding 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 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 interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

Materiality is the magnitude of misstatements in the interim financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the interim financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the interim financial



statements.

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.

#### **Other Matter**

The comparative figures for the corresponding previous period as required under Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), have not been compiled by the Company in the accompanying special purpose interim financial statements, since this is the first reporting period of the Company as Company was incorporated on 13<sup>th</sup> May 2023.

We draw attention to note 29 to the accompanying special purpose interim financial statements; The Company has incurred a loss of Rs. 2.61 lakhs during the current reporting period. The current liabilities exceed its current assets as at December 31, 2023. These conditions indicate that a material uncertainty exists that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this financial statement is prepared on a going concern basis.

Our report is not modified in respect of the above matters.

#### **Restriction on Use and Distribution**

We have performed the audit at the request of the Directors of the Company, solely to enable, Bazaar Style Retail Limited to prepare consolidated financial statements for the period ended December 31, 2023, as per the requirements of Indian Accounting Standards 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") as amended, and other accounting principles generally accepted in India.

Accordingly, this report is not for the use or benefit of any other party, nor is it to be copied, made available to or otherwise disclosed to any other person to whom this report is shown, or into whose hands it may come save where expressly agreed by our prior consent in writing.

**For G K KANODIA & CO**  
Firm Registration No. 332314E



*Gopi Kishan Kanodia*  
(GOPI KISHAN KANODIA)

Proprietor

ICAI Membership No.

307280

**UDIN:24307280BKEEPP7162**

Place: Kolkata

Dated: 8<sup>th</sup> day of January, 2024

Notes forming part of the financial statements as at and for the period ended December 31, 2023

**Depreciation methods, estimated useful lives and residual value**

Depreciation on property, plant and equipment is calculated on a straight line basis using the rates arrived at, based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its tangible fixed assets:

Assets Category	Life estimated by the management based on technical assessment (years)	Useful life as per Schedule II (years)
Furniture & Fixtures	10	10
Office Equipment	5	5
Motor Vehicles	8	8
Computer & Accessories	3	3
Air-conditioner	5	5
CCTV Camera	3	3
Servers & Networks	6	6
Office Building	60	60
Plant & Machinery	15	15
Electrical Installations and Equipment	10	10

**k) Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss, in the period in which the expenditure is incurred.

Intangible assets with finite life are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period and changes if any, made on prospective basis. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

**Amortisation methods and periods**

A summary of amortisation policies applied to the Company's intangible assets is as below:

**Intangible assets Useful life Amortisation method used**

Assets Category	Useful life estimated by the management based on technical assessment (years)
Computer Software	3

**l) Impairment of non-financial assets**

At the end of each reporting period, The Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal/ external factors. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An asset's recoverable amount is higher of an asset's or cash-generating unit's (CGUs) fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rates, that reflects current market assessment of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually as at reporting date. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the Statement of Profit and Loss.

Reversal of impairment losses except on goodwill is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased. An impairment loss recognised for goodwill is not reversed in subsequent periods.

**m) Inventories**

**Traded goods:** At lower of cost and net realisable value. Cost of inventories comprises all costs of purchase price and other incidental costs incurred in bringing the inventories to their present location and condition. Cost is determined based on weightage average method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

**n) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



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Notes forming part of the financial statements as at and for the period ended December 31, 2023

o) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

p) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments. All investments are carried at fair value.

q) Dividend

Dividend declared is recognised as a liability only after it is approved by the shareholders in the general meeting. The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

r) Provisions and Contingent liabilities

Provision are recognized when the Company has a present obligation (legal or constructive) as a result of 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, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

**Contingent liabilities:** A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

s) Significant accounting judgements, estimates and assumptions

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

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

t. Judgements

(i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

(ii) Recognition of deferred tax

The extent to which deferred tax asset to be recognized is based on the assessment of the probability of the future taxable income against which the deferred tax asset can be utilized.

II. Estimates and assumptions

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

(i) Useful lives of depreciable assets

The Company reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

(ii) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future trends salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.



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Notes forming part of the financial statements as at and for the period ended December 31, 2023

**(iii) Impairment of assets**

In assessing impairment, the Company estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

**(iv) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**(v) Assessment of potential markdown inventory**

The Company at each reporting date makes an assessment of potential markdown due to aged inventory. In doing so, it estimates the net realisable value of aged inventory based on historic trend of sale of such/ similar aged inventory. Further, it also estimates the provision for shrink based on past trends which it believes is more than or near to actual shrink to be booked as and when stores are counted annually.

**(vi) Incremental borrowing rate for leases**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**2.4 Recent pronouncements**

The 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. On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below :

**Ind AS 1 – Presentation of Financial Statements.** The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

**Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.** The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.



Notes forming part of the financial statements as at and for the period ended December 31, 2023

**g) Government grants**

Government grants are recognised where there is a reasonable assurance that the grant will be received and all attached conditions will be complied with:

- When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.
- When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, at a below market rate of interest, the effect of this favourable interest is treated as a government grant. The loan or assistance is initially recognised and measured at fair value, and the government grant is measured as the difference between the proceeds received and the initial carrying value of the loan. The loan is subsequently measured as per the accounting policies applicable to financial liabilities.

**h) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur in the Statement of Profit and Loss. During the period the borrowing cost is Nil.

**i) Income Taxes**

**Current tax**

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

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

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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

Tax benefits acquired as a part of business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information is received or circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition, if they result from new information obtained about facts and circumstances existing at the acquisition date.

Current tax and deferred tax relating to items recognised outside the Statement of Profit and Loss are recognised outside the Statement of Profit and Loss (either in OCI or in equity). Current tax and deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

**j) Property, plant and equipment ("PPE")**

Property, plant and equipment is stated at cost net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of cost of acquisition or construction inclusive of duties (net of tax) incidental expenses, interest and erection/commissioning expenses incurred up to the date asset is put to use. Administrative and other general overhead expenses that are specifically attributable to construction or acquisition of PPE or bringing the PPE to working condition are allocated and capitalized as a part of cost of PPE. 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.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any. Cost includes borrowing costs for long-term construction projects, if the recognition criteria is met.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss, during the reporting period in which they are incurred.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.



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Notes forming part of the financial statements as at and for the period ended December 31, 2023

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

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

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss. All financial liabilities are recognized initially at fair value and, in the case of payables, net of directly attributable transaction costs.

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

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

**Derecognition**

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

**e) Foreign currencies**

**Transactions and balances:**

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Balance Sheet date. Exchange differences arising on settlement of monetary items are recognised in the Statement of Profit and Loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also reclassified in OCI or the Statement of Profit and Loss, respectively).

**f) Revenue recognition**

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

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

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

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

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



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Notes forming part of the financial statements as at and for the period ended December 31, 2023

c) Fair value measurements and hierarchy

The Company measures financial instruments, at fair value at each Balance Sheet date.

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances, and for which sufficient data are available to measure the fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on its nature.

d) Financial instruments

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

Financial assets

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss).
- Those measured at amortized cost.

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss) or recognized in other comprehensive income (i.e., fair value through other comprehensive income)

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- i. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Cash flow characteristics test:

The contractual terms of the Debt instrument give rise on specific dates to cash flows that are solely payments of principal and interest on principal amount outstanding. After initial measurement, financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- i. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii. The asset's contractual cash flows represent SPPI.

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

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



A handwritten signature in blue ink, appearing to be a cursive name.



Notes forming part of the financial statements as at and for the period ended December 31, 2023

1 Corporate and General Information

Konnect Style Retail Private Limited (the Company) is a private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is engaged in business of retailing a variety of apparels and non-apparels consumer products through ecommerce channel. The Company was incorporate on May 13' 2023.

The Interim financial statements have been approved and adopted by the Board in their meeting held on Jan 08, 2024.

The Company is wholly owned subsidiary of Bazaar Style Retail Limited (CIN No- U18109WB2013PLC194160).

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules, 2018, read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of Schedule III of the Act and other relevant provisions of the Act as applicable.

The financial statements have been prepared on accrual basis under the historical cost convention, except the following assets and liabilities, which have been measured at fair value as required by the relevant IND AS:

- Certain financial assets and liabilities (refer accounting policy regarding financial instruments);
- Defined employee benefit plans;

Rounding off amounts

The financial statements are presented in Indian Rupee ( ₹ ) and all values are rounded to the nearest lakhs, except when otherwise indicated.

2.2 Use of Estimates and Judgements

The preparation of the Company's financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses, the accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Uncertainty about these estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumption in these financial statements have been disclosed below. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates and judgments used are as below:

- (i) Defined benefit obligation
- (ii) Recognition of current tax and deferred tax
- (iii) Recognition and measurement of provisions and contingencies
- (iv) Fair value measurement of Financial instruments
- (v) Provision for Doubtful Debts and advances

2.3 Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

a) Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is an unconditional right to defer the settlement of the liability for at least twelve months' after the reporting period.

All other liabilities are classified as non-current.

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

b) Segment information

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.



Notes forming part of the financial statements as at and for the period ended December 31, 2023

3 Property, Plant and Equipment  
Current period

₹ in Lakhs

Particulars	Gross Amount			Accumulated Depreciation				WDV as on December 31, 2023	
	As at May 13, 2023	Addition	Deletion	As at December 31, 2023	As at May 13, 2023	Charge for the year	Deduction		As at December 31, 2023
Computer & Printers	-	0.13	-	0.13	-	0.01	-	0.01	0.12
<b>Total</b>	-	<b>0.13</b>	-	<b>0.13</b>	-	<b>0.01</b>	-	<b>0.01</b>	<b>0.12</b>



Notes forming part of the financial statements as at and for the period ended December 31, 2023

<b>4</b>	<b>Other Financial Assets</b>	<b>As at December 31, 2023</b>
	Current	
	(Unsecured, considered good)	
	Other Receivables	0.44
		<b>0.44</b>
<b>5</b>	<b>Deferred Tax Assets (Net)</b>	<b>As at December 31, 2023</b>
	Deferred Tax Liabilities	
	Depreciation and amortisation expenses	
	Total (A)	0.01
	Deferred Tax Assets	0.01
	Losses available for off setting against future taxable income	
	Total (B)	0.78
		<b>0.78</b>
	Deferred Tax Asset (Net) (B-A)	0.77

**5.1 Movement in deferred tax assets and liabilities**

Particulars	As at May 13, 2023	Recognised In Statement of Profit and Loss	As at December 31, 2023
Deferred tax liabilities			
Depreciation and amortisation expenses	-	0.01	0.01
<b>Total</b>	-	<b>0.01</b>	<b>0.01</b>
Deferred tax assets			
Losses available for offsetting against future taxable income	-	0.78	0.78
<b>Total</b>	-	<b>0.78</b>	<b>0.78</b>

<b>6</b>	<b>Tax Assets (net)</b>	<b>As at December 31, 2023</b>
	Non-current	
	Tds Receivable*	
	Total	0.00
		<b>0.00</b>

\*Value of Rs. 292.43 represents as Rs. 0.00 (in lakhs) due to rounded to nearest Lakhs.

<b>7</b>	<b>Other Assets</b>	<b>As at December 31, 2023</b>
	Current	
	(Unsecured, considered good)	
	Advances other than Capital Advances :	
	- Balances with Government and statutory authorities	
	Total	1.56
		<b>1.56</b>

<b>8</b>	<b>Inventories</b>	<b>As at December 31, 2023</b>
	(As valued and certified by the Management)	
	Traded Goods	10.80
		<b>10.80</b>

<b>9</b>	<b>Cash and Cash Equivalents</b>	<b>As at December 31, 2023</b>
	Balances with banks:	
	- In Current Account	2.73
	Cash on hand	-
		<b>2.73</b>

<b>10</b>	<b>Equity Share Capital</b>	<b>As at December 31, 2023</b>
	Authorized:	
	10,000 equity share of ₹10 each	1.00
	Issued, Subscribed and Fully Paid-up:	
	10,000 equity shares of ₹10 each	1.00
		<b>1.00</b>

a) Reconciliation of shares outstanding at the beginning and at the end of the period :

Particulars	As at December 31, 2023	
	No of Shares	₹ in Lakhs
(Equity Shares of ₹10 each fully paid)		
Equity Shares at the beginning of the year	-	-
Subscribed on incorporation	10,000	1.00
Equity Shares at the end of the period	10,000	1.00

b) Terms / Rights attached to Equity Shares:

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

c) The Company is wholly owned subsidiary Company of "Baazar Style Retail Limited" (CIN No- U18109WB2013PLC194160).



*[Handwritten signature]*



Notes forming part of the financial statements as at and for the period ended December 31, 2023

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

Name of the Shareholders (Equity Shares of ₹10 each fully paid)	As at December 31, 2023	
	No of Shares	% Holding
Baazar Style Retail Limited	9,990	99.90%
<b>Total</b>	<b>9,990</b>	<b>99.90%</b>

e) Disclosure of shareholding of promoters at the end of the period:

Promoter Name (Equity Shares of ₹10 each fully paid)	As at December 31, 2023		
	No. of shares	% of total shares	% Change during the year
Baazar Style Retail Ltd	9,990	99.90%	N.A
<b>TOTAL</b>	<b>9,990</b>	<b>99.90%</b>	

f) No ordinary shares have been reserved for issue under options and contracts/commitments for sale of shares/disinvestment as at the Balance Sheet date.

11 Other Equity

	As at December 31, 2023
Retained earnings	(2.61)
<b>Total Other equity</b>	<b>(2.61)</b>

Description of nature and purpose of each reserve :

Retained Earnings  
Created from the profit/ (loss) of the company, as adjusted for distribution to owners, transfers to other reserves, etc.

12 Trade Payables

	As at December 31, 2023
<b>At amortised cost</b>	
- Total outstanding dues of micro and small enterprises	-
- Total outstanding dues of creditors other than micro and small enterprises	16.59
	<b>16.59</b>

12.1 Amount due to micro and small enterprises as defined in the "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. The disclosures relating to micro and small enterprises is as below:

Particulars	As at December 31, 2023
(i) Principal amount remaining unpaid to supplier at the end of the period.	-
(ii) Interest due thereon remaining unpaid to supplier at the end of the period.	-
(iii) The amount of interest paid by the buyer in terms of section 16 of The MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	-
(iv) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under this Act.	-
(v) Amount of interest accrued and remaining unpaid at the end of the period.	-
(vi) 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 enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of The MSMED Act, 2006.	-

12.2 Trade Payables Ageing Schedule as stated below:

Particulars	Outstanding as on December 31, 2023 from due date of payment					
	Unbilled	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years
MSME	-	-	-	-	-	-
Others	-	-	16.59	-	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
<b>Total</b>	-	-	<b>16.59</b>	-	-	-

13 Other Financial Liabilities

	As at December 31, 2023
<b>Current</b>	
Employee Related Payables	1.02
Other Liabilities	0.24
	<b>1.27</b>

14 Other Current Liabilities

	As at December 31, 2023
Statutory dues	0.18
	<b>0.18</b>



**KONNECT STYLE RETAIL PRIVATE LIMITED**

CIN : U47912WB2023PTC261995

Notes forming part of the financial statements as at and for the period ended December 31, 2023

**15 Revenue from operations**

Sale of Goods  
Traded Goods  
Total

For the period ended  
December 31, 2023

12.53  
12.53

**15.1 Disaggregated revenue information**

Particulars

For the period ended  
December 31, 2023

**(1) Timing of revenue recognition**

Revenue recognition at a point of time  
Revenue recognition over period of time  
Total

12.53  
-  
12.53

**(2) Geographic Location**

The Company operates within India and does not have operations in economic environments with different risks and returns. Hence, no separate financial disclosures are provided in respect of its geographical segment.

**16 Purchases of Stock in Trade**

Purchases of Stock in Trade :  
Traded goods

For the period ended  
December 31, 2023

18.42  
18.42

**17 Changes in Inventories**

Inventories at the end of the period  
Traded Goods  
Inventories at the beginning of the period  
Traded Goods  
Changes in Inventories (B-A)

For the period ended  
December 31, 2023

10.80  
-  
(10.80)

**18 Employee benefits expense**

Salaries, Wages and Bonus  
Contribution to Provident and Other funds

For the period ended  
December 31, 2023

2.85  
0.12  
2.97

**19 Depreciation and amortization Expense**

Depreciation on Property, Plant and Equipment

For the period ended  
December 31, 2023

0.01  
0.01

**20 Other expenses**

Advertisement  
Bank Charges  
Freight and Forwarding Expenses  
Packing and Consumable  
Communication Expenses  
Audit Fees  
Commission  
Professional Fees  
Miscellaneous Expenses

For the period ended  
December 31, 2023

0.72  
0.00  
3.82  
0.35  
0.08  
0.11  
0.04  
0.05  
0.15  
5.32

**20.1 Payment to auditors**

As auditors  
- Audit Fees

For the period ended  
December 31, 2023

0.11  
0.11



**21 Earnings per share**

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the period plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	For the period ended December 31, 2023
<b>Profit/(Loss) for the period</b>	(2.61)
<b>Nominal value per share (in ₹)</b>	<b>10.00</b>
Weighted average number of equity shares for calculating basic earnings per share	10,000
Weighted average number of equity shares for diluted earnings per share	10,000
<b>Earnings Per Share (in ₹) *</b>	
Basic Earnings per share (in ₹)	(26.07)
Diluted Earnings per share (in ₹)	(26.07)

**22 Tax expenses**

Income tax recognised in Statement of Profit and Loss

Current Tax

Deferred Tax

For the period ended  
December 31, 2023

-

(0.77)

**(0.77)**

**22.1 Reconciliation of estimated Income tax expense at Indian statutory Income tax rate to income tax expense reported in statement of comprehensive**

Income

Profit/(Loss) before tax

Indian statutory income tax rate

Estimated income tax expenses

(3.38)

22.88%

(0.77)

**Tax effect on:**

Permanent differences

**Current tax provision**

-

(0.77)

Adjustment for Income Tax in relation to earlier years

-

**Income Tax expenses recognised in Statement of Profit and Loss account**

**(0.77)**

**23 Code on Social Security :** During the year ended March 31, 2021 the Central Government has published "The Code on Social Security, 2020" and "Industrial Relations Code, 2020" ("the Codes") in the Gazette of India, inter alia, subsuming various existing labour and industrial laws which deals with employees related benefits including post employment. The effective date of the codes thereunder and the rules are yet to be notified. The impact of the legislative changes, if any, will be assessed and recognised post notification of the relevant provisions.



Notes forming part of the financial statements as at and for the period ended December 31, 2023

24 Related Party Disclosures under Ind AS-24

(a) List of Related Parties and nature of relationship where control exists

Name of Related Party	Nature of Relationship
<b>Key Managerial Personnel:</b>	
Pradeep Kumar Agarwal	Director
Shreyans Surana	Director
<b>Entities owned by the Key Managerial Personnel and Relatives of Key Managerial Personnel:</b>	
Baazar Style Retail Limited	Holding Company

(b) The following transactions were carried out with related parties in the ordinary course of business:

₹ in Lakhs

Particulars	Key Managerial Personnel	Relatives of Key Managerial Personnel	Entities owned by the KMP and Relatives of KMP
	For the year ended December 31, 2023	For the year ended December 31, 2023	For the year ended December 31, 2023
<b>Paid up Capital</b>			
Baazar Style Retail Limited	-	-	1.00

The transactions from related parties are made on terms equivalent to those that prevail in arm's length transactions.

25 Segment Information

In the opinion of the management, there is only one reporting segment "Retail Sales" as envisaged by Ind AS 108 "Operating Segments". The Company is operating only in India and there is no other significant geographical segment. They are reviewed regularly by the chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

26 Disclosure pursuant to Indian Accounting Standard- 19 'Employee Benefits' as notified u/s 133 of Companies Act, 2013

(a) Defined Contribution Plan

The Company has provident fund plans for the employees. Contributions are made to registered provident fund in India, subject to statutory limits. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised in Statement of Profit and Loss towards defined contribution plans are as follows:

₹ in Lakhs

Particulars	For the period ended December 31, 2023
Contribution to Provident Fund	0.12

(b) Defined Benefit Plan

Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.



Notes forming part of the financial statements as at and for the year ended March 31, 2023

27 Other Statutory Information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or 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 ROC beyond the statutory period.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the Financial period.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries), or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not been declared as Wilful defaulter by any Banks, Financial institution or Other lenders.
- (viii) The Company dose not held any immovable properties.
- (ix) The Company did not have any transaction which was not recorded in the books of account that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as search or survey or any other relevant provisions of the Income Tax Act, 1961
- (x) The Company has not revalued its Property, Plant and Equipment during the current period.
- (xi) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017
- (xii) The Company has not entered into any scheme of arrangement which has an accounting impact on current financial period.



Notes forming part of the financial statements as at and for the period December 31, 2023

28 Ratio Analysis and its elements

Ratio	Numerator	Denominator	Current year	Previous year	Variance (in %)	Reason for Variance (if more than 25%)
Current ratio (in times)	Current Assets	Current Liabilities	0.86	N.A	N.A	N.A
Debt-equity ratio (in times)	Total Debt = Total Debt (excluding Lease Liability) + Short term borrowings - Cash and Cash Equivalents.	Shareholder's Equity	N.A	N.A	N.A	N.A
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest and Lease Payments + Principal Repayments	N.A	N.A	N.A	N.A
Return on equity ratio (%)	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	This ratio is not relevant since the company have loss and negative shareholers's equity			
Inventory turnover ratio (in times)	Net Sales	Closing inventory	1.16	N.A	N.A	N.A
Trade receivables turnover ratio (in times)	Net Credit Sales=Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables.	Average trade debtors = (Opening + Closing balance / 2)	-	N.A	N.A	N.A
Trade payables turnover ratio (in times)	Net Credit Purchases =Net credit purchases consist of gross credit purchases minus purchase return	Trade Payables	1.11	N.A	N.A	N.A
Net capital turnover ratio (in times)	Net Sales= Net sales shall be calculated as total sales minus sales returns.	Working Capital =Working capital shall be calculated as current assets minus current liabilities.	(5.02)	N.A	N.A	N.A
Net profit ratio (%)	Net profit shall be after tax	Net Sales = Net sales shall be calculated as total sales minus sales returns.	(20.80%)	N.A	N.A	N.A
Return on capital employed (%)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total debt (excluding Lease Liability) + Deferred Tax Liability	This ratio is not relevant since the company have loss and negative capital employed.			

29 The Company has incurred losses during the period ended December 31, 2023. The Company's current liability exceeded its current assets as at date. However the company is in process of improving efficiency in operations and getting financial support from its holding Company, therefore the financial statements have been prepared on the basis that Company is a going concern and that no adjustment is required to the carrying value of assets and liabilities.

30 This is a special purpose interim financial statements for the period ended December 31, 2023 has been prepared by the company solely for consolidation of interim financial statement of Holding Company "Bazaar Style Retail Limited".



**KONNECT STYLE RETAIL PRIVATE LIMITED**  
CIN : U47912WB2023PTC261995

**BALANCE SHEET**  
as at December 31, 2023

₹ in Lakhs

Particulars	Notes	As at December 31, 2023	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	3	0.12	
Deferred Tax Assets (Net)	5	0.77	
Tax Assets (Net)	6	0.00	
		<u>0.89</u>	<b>0.89</b>
<b>CURRENT ASSETS</b>			
Inventories	8	10.80	
Financial Assets			
Cash and Cash Equivalents	9	2.73	
Other Financial Assets	4	0.44	
Other Assets	7	1.56	
		<u>15.53</u>	<b>15.53</b>
<b>TOTAL ASSETS</b>		<u><u>16.42</u></u>	<b>16.42</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	10	1.00	
Other Equity	11	(2.61)	
<b>TOTAL EQUITY</b>		<u>(1.61)</u>	<b>(1.61)</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Trade Payables	12	-	
- Total outstanding dues of micro and small enterprises			
- Total outstanding dues of creditors other than micro and small enterprises		16.59	
Other Financial Liabilities	13	1.27	
Other Liabilities	14	0.17	
		<u>18.03</u>	<b>18.03</b>
<b>TOTAL LIABILITIES</b>		<u><u>18.03</u></u>	<b>18.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>16.42</u></u>	<b>16.42</b>

The accompanying notes form an integral part of the financial statements 1 to 30

As per our report of even date attached

For and on behalf of the Board of Directors

**For G K Kanodia & Co**  
Chartered Accountants  
FRN: 332314E

*Gopi Kishan Kanodia*



**Gopi Kishan Kanodia**  
Proprietor  
M. No: 307280

Kolkata | January 08, 2024

*Pradeep Kumar Agarwal*  
**Pradeep Kumar Agarwal**  
Director  
DIN: 02195697

*Shreyans Surana*  
**Shreyans Surana**  
Director  
DIN: 02559280



CASH FLOW STATEMENT

for the period ended December 31, 2023

₹ in Lakhs

Particulars	For the period ended December 31, 2023
<b>A. Cash Flow from Operating Activities</b>	
Profit/ (loss) before tax	(3.38)
<b>Adjustments for :-</b>	
Depreciation and amortization expenses	0.01
<b>Operating Profit Before Working Capital Changes</b>	<b>(3.37)</b>
<b>Adjustments for changes In Working Capital :-</b>	
Decrease / (Increase) in Financial Assets	(0.44)
Decrease / (Increase) in Other Assets	(1.56)
Decrease / (Increase) in Inventories	(10.80)
(Decrease) / Increase in Trade Payables	16.59
(Decrease) / Increase in Other Financial Liabilities	1.27
(Decrease) / Increase in Other Liabilities	0.18
<b>Cash generated from Operations</b>	<b>1.86</b>
Taxes Paid (Net of Refunds)	(0.00)
<b>Net cash from Operating Activities (A)</b>	<b>1.86</b>
<b>B. Cash Flow from Investing Activities</b>	
Purchase of Property, Plants and Equipments	(0.13)
<b>Net cash (Used In) / From Investing Activities (B)</b>	<b>(0.13)</b>
<b>C. Cash Flow from Financing Activities:</b>	
Proceeds From Issue Of Equity Shares	1.00
<b>Net Cash (Used In) / From Financing Activities (C)</b>	<b>1.00</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>2.73</b>
Cash and Cash Equivalents at the beginning of the period	-
<b>Cash and Cash Equivalents at the end of the period</b>	<b>2.73</b>

Notes :

- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.
- The composition of Cash and Cash Equivalent has been determined based on the Accounting Policy No. 2.3(o)
- Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The Notes are an integral part of the Financial Statements.

As per our report of even date attached

For G K Kanodia & Co  
Chartered Accountants  
FRN: 332314E

*Gopi Kishan Kanodia*  
Gopi Kishan Kanodia  
Proprietor  
M. No: 307280



Kolkata | January 08, 2024

For and on behalf of the Board of Directors

*Pradeep Kumar Agarwal*  
Pradeep Kumar Agarwal  
Director

DIN: 02195697

*Shreyans Surana*  
Shreyans Surana  
Director

DIN: 02559280



STATEMENT OF PROFIT AND LOSS  
for the period starting from May 13, 2023 to December 31, 2023

₹ in Lakhs

Particulars	Notes	For the period ended December 31, 2023
<b>Income</b>		
Revenue from operations	15	12.53
<b>Total Income</b>		<b>12.53</b>
<b>Expenses</b>		
Purchase of stock-in-trade	16	18.42
Change in inventories	17	(10.80)
Employee benefits expense	18	2.97
Depreciation and amortization expense	19	0.01
Other expenses	20	5.32
<b>Total Expenses</b>		<b>15.91</b>
<b>Profit/(Loss) before Tax</b>		<b>(3.38)</b>
<b>Tax Expenses</b>		
Current tax		-
Deferred tax assets		(0.77)
<b>Total Tax Expenses</b>		<b>(0.77)</b>
<b>Profit/(Loss) for the period from operations</b>		<b>(2.61)</b>
<b>Other Comprehensive Income (OCI)</b>		
<b>Items that will not be reclassified to profit or (loss)</b>		
Re-measurement gain/(loss) on defined benefit plans		-
Income tax relating to item above		-
<b>Other Comprehensive Income/(Loss) for the period</b>		<b>-</b>
<b>Total Comprehensive Income/(Loss) for the period</b>		<b>(2.61)</b>
<b>Earnings per share</b>	21	
Basic (₹)		(26.07)
Diluted (₹)		(26.07)

The accompanying notes form an integral part of the financial statements 1 to 30

As per our report of even date attached

For G K Kanodia & Co  
Chartered Accountants  
FRN: 332314E

Gopi Kishan Kanodia  
Proprietor  
M. No: 307280



Kolkata | January 08, 2024

For and on behalf of the Board of Directors

Pradeep Kumar Agarwal  
Director  
DIN: 02195697

Shreyans Surana  
Director  
DIN: 02559280



KONNECT STYLE RETAIL PRIVATE LIMITED  
CIN : U47912WB2023PTC261995

STATEMENT OF CHANGES IN EQUITY  
for the year period ended Decmebre 31, 2023

A) Equity Share Capital

₹ in Lakhs

Balance as at May 13, 2023	-
Add/(Less): Changes in equity share capital during the period	1.00
Balance as at December 31, 2023	1.00

B) Other Equity

₹ in Lakhs

Particulars	Retained Earnings
Balance as at May 13, 2023	
Profit/(Loss) for the period ended	(2.61)
Balance as at December 31, 2023	(2.61)

The accompanying notes form an integral part of the financial statements 1 to 30

As per our report of even date attached

For and on behalf of the Board of Directors

For G K Kanodia & Co  
Chartered Accountants  
FRN: 332314E

  
Gopi Kishan Kanodia  
Proprietor  
M. No: 307280



  
Pradeep Kumar Agarwal  
Director  
DIN: 02195697

  
Shreyans Surana  
Director  
DIN: 02559280



Kolkata | January 08, 2024