THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH SEBI CIRCULARS ONLY AND DOES NOT CONSTITUE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT

ADITYA BIRLA LIFESTYLE BRANDS

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Registered Office: Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401,403, 501, 502, L.B.S Road, Kurla, Mumbai 400070, Maharashtra, India

Corporate Office: Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037

Tel: +91 86529 05000 | **Email Id** – secretarial.ablbl@abfrl.adityabirla.com | **Website –** www.ablbl.in

Contact Person: Mr. Rajeev Agrawal, Company Secretary & Compliance Officer

PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF SHAREHOLDERS OF ADITYA BIRLA LIFESTYLE BRANDS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH PARA 5 OF PART II(A) OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023, AS AMENDED FROM TIME TO TIME, READ WITH RULE 19(7) OF THE SECURITIES CONTRACTS (REGULATIONS) RULES, 1957, AS AMENDED FROM TIME TO TIME ('SCRR') PURSUANT TO GRANT OF RELAXATION BY SEBI VIDE ITS LETTER DATED JUNE 13, 2025 FROM THE APPLICABILITY OF RULE 19(2)(B) OF SCRR, PURSUANT TO SCHEME OF ARRANGEMENT AMONSGT ADITYA BIRLA FASHION AND RETAIL LIMITED AND ADITYA BIRLA LIFESTYLE BRANDS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

THIS PUBLIC ANNOUNCEMENT DOES NOT RELATE TO ANY ISSUANCE / SALE OF EQUITY SHARES. NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CATEGORY OF INVESTORS PURSUANT TO THIS PUBLIC ANNOUNCEMENT, NOR IS IT SOLICITING AN OFFER TO BUY SECURITIES IN ANY JURISDICTION.

ABOUT THE SCHEME

The National Company Law Tribunal, Mumbai Bench, vide its order pronounced on March 27, 2025 has sanctioned the Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of, the Companies Act, 2013 amongst Aditya Birla Fashion and Retail Limited ("ABFRL" "Demerged Company") and Aditya Birla Lifestyle Brands Limited ("ABLBL"/"Resulting Company"/"Company") and their respective shareholders and creditors ("Scheme"). The Scheme became effective from May 1, 2025 with the appointed date being April 1, 2024. In accordance with the Scheme, Demerged Undertaking of ABFRL has been demerged into, transferred to and vested with the Company on a going concern basis. In accordance with the said Scheme, the Company has allotted 1 equity share of ₹ 10/- each for every 1 equity share of ₹ 10/- each held in the Demerged Company as on the record date i.e. May 22, 2025. The Equity Shares of our Company shall be listed and admitted to trading on BSE and NSE. The Company has received in-principle approval for listing of shares from BSE and NSE on June 5, 2025.

Capitalised terms used but not defined herein have the meaning assigned to them in the Information Memorandum.

1. **NAME AND ADDRESSES OF THE REGISTERED OFFICE AND CORPORATE OFFICE OF THE COMPANY**

The name of the Company is Aditya Birla Lifestyle Brands Limited. The Registered Office of the Company is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai, Maharashtra 400070. The Corporate Office of the Company is situated at Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037.

2. **DETAILS OF CHANGE IN NAME AND/OR OBJECT CLAUSE**

There has been no change in the name and object clause of the Company since incorporation.

3. **CAPITAL STRUCTURE – PRE AND POST SCHEME OF ARRANGEMENT**

Pre-Scheme		Post-Scheme	
Particulars	Aggregate Value (in ₹)	Particulars	Aggregate Value (in ₹)
Authorised Share Capital		Authorised Share Capital	
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	2,00,00,00,000 Equity Shares (of face value ₹ 10 each)	20,00,00,00,000
		5,55,000 Preference Shares (of face value ₹ 10 each)	55,50,000
Total	5,00,000	Total	20,00,55,50,000
Issued, Subscribed and Paid up Capital		Issued Share Capital	
Issued, Subscribed and Paid-up Capital		1,22,05,00,277 Equity Shares (of face value ₹ 10 each)	12,20,50,02,770
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
		Subscribed and Paid up Capital	
		1,22,02,94,773 Equity Shares (of face value ₹ 10 each)	12,20,29,47,730
		5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
Total	5,00,000	Total	12,20,84,97,730

4. **SHAREHOLDING PATTERN GIVING DETAILS OF THE SHAREHOLDING OF PROMOTER, PROMOTER GROUPS AND GROUP COMPANIES:**

a. Pre-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares: Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	7*	50,000	-	-	50,000	100.00	50,000	-	50,000	100	-	100	-	-	-	-	50,000	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**7***	**50,000**	**-**	**-**	**50,000**	**100**	**50**	**-**	**50,000**	**100**	**-**	**100**	**-**	**-**	**-**	**-**	**50,000**	**-**	**-**	**-**

*in addition to Aditya Birla Fahsion and Retail Limited, there six nominees holding one Equity Share each on behalf of Aditya Birla Fahsion and Retail Limited

Note: In order to comply with the requirement of minimum 7 members in the Company under the Companies Act 2013, 1 equity share is held by 6 individual as nominee of Aditya Birla Fashion and Retail Limited

b. Post-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares: Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	14	56,83,51,129	-	-	56,83,51,129	46.57	56,83,51,129	-	56,83,51,129	46.74	-	46.74	4,48,22,856	7.89	-	-	56,83,51,129	-	-	-
(B)	Public	2,98,726	64,76,32,655	-	-	64,76,32,655	53.08	64,76,32,655	-	64,76,32,655	53.26	-	53.07	3,96,09,127	6.12	NA	NA	64,76,32,655	6,58,00,866	17,85,80,724	-
(C)	Non Promoter - Non Public	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(C2)	Shares Held By Employee Trust	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
	Total	**2,98,741**	**1,22,02,94,773**	**-**	**-**	**1,22,02,94,773**	**100**	**1,21,59,83,784**	**-**	**1,21,59,83,784**	**100**	**-**	**100**	**8,44,31,983**	**6.92**	**-**	**-**	**1,22,02,94,773**	**6,58,00,866**	**17,85,80,724**	**-**

Note: 1) Voting Rights under Category "Public" includes 27,68,679 equity shares which remain frozen in terms of various applicable laws.

5. **NAMES OF TEN LARGEST SHAREHOLDERS OF THE COMPANY – NUMBER AND PERCENTAGE OF SHARES HELD BY EACH OF THEM, THEIR INTEREST, IF ANY**

Sr. No.	Name of Shareholders	Number of Equity Shares	% of share held
1	Birla Group Holdings Private Limited	23,66,19,965	19.390
2	IGH Holdings Private Limited	13,64,72,680	11.184
3	Grasim Industries Ltd	9,75,93,931	7.998
4	Flipkart Investments Private Limited	7,31,70,731	5.996
5	Caladium Investment Pte. Ltd.	6,58,00,866	5.392
6	Quant Mutual Fund - Quant Mid Cap Fund	5,61,90,433	4.605
7	Hindalco Industries Limited	5,02,39,794	4.117
8	Pilani Investment and Industries Corporation Limited	4,48,22,856	3.673
9	SBI Life Insurance Co. Ltd	2,71,53,233	2.225
10	Fidelity Securities Fund: Fidelity Blue Chip Growth Fund	2,37,20,498	1.944

Note: None of the above-mentioned shareholders have interest except promoters to the extent of their shareholding.

6. **NAME AND DETAILS OF PROMOTER OF OUR COMPANY – EDUCATIONAL QUALIFICATIONS, EXPERIENCE, ADDRESS**

Sr. No.	Name	Address	Educational Qualification and Experience
1.	Birla Group Holdings Private Limited	Industry House 1st Floor 159 Churchgate Reclamation, Mumbai, Maharashtra, India, 400020	NA

7. **NAME AND DETAILS OF BOARD OF DIRECTORS (EXPERIENCE INCLUDING CURRENT/PAST POSITION HELD IN OTHER FIRMS)**

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Ms. Ananyashree Birla DIN: 06625036 Date of Birth: July 17, 1994 Designation: Non- Executive Director Occupation: Professional Experience: Ms. Ananyashree Birla is a Non-Executive Director on the Board of our Company. She is a graduate from the University of Oxford with a bachelor's degree. She is a distinguished businesswoman and a platinum selling artist with significant contributions across diverse business sectors. She's the founder at Svatantra Microfin, the fastest growing, highly rated, second-largest microfinance organization in the country. As founder at Birla Cosmetics Private Limited, she oversees the company's foray into colour cosmetics as part of its long-term vision to build a dynamic beauty portfolio. Ms. Birla serves as the global ambassador for NAMI, advocating the need for mental wellness. She is also the founder of the Ananya Birla Foundation that does pioneering research in mental health and social impact.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Svatantra Micro Housing Finance Corporation Limited 5. Svatantra Microfin Private Limited 6. Svatantra Online Services Private Limited 7. Antimatter Media Private Limited 8. Talk and Cheese Private Limited 9. Aditya Birla New Age Hospitality Private Limited 10. Ananya Birla Foundation 11. Chaitanya India Fin Credit Private Limited 12. Aditya Birla Management Corporation Private Limited. 13. Birla Cosmetics Private Limited 14. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms 1. Siddhipriya Enterprises LLP
Mr. Aryaman Vikram Birla DIN: 08456879 Date of Birth: July 9, 1997 Designation: Non- Executive Director Occupation: Business Experience: Mr. Aryaman Vikram Birla is a Non-Executive Director on the Board of our Company. He holds an MSc. Degree in Global Finance from Bayes Business School, London. He comes with diverse experiences including entrepreneurship, VC investing, and professional sport. He is closely involved with several businesses of the Aditya Birla Group. Aryaman has founded and is spearheading, Aditya Birla New Age Hospitality, the Group's growing hospitality business as well as the venture capital fund, Aditya Birla Ventures, that invests in high-growth start-ups.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Aditya Birla New Age Hospitality Private Limited. 5. Aditya Birla New Age Restaurants and Cafe Private Limited. 6. Aditya Birla Digital Fashion Ventures Limited. 7. Aditya Birla Management Corporation Private Limited. 8. KA Hospitality Private Limited 9. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms Nil
Mr. Pankaj Sood DIN: 05185378 Date of Birth: July 11, 1976 Designation: Non- Executive Director Occupation: Service Experience: Mr. Pankaj Sood is a Non-Executive Director on the Board of our Company. He is a post-graduate from Indian Institute of Management Calcutta (1999). He has a Bachelor's degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996). Mr. Sood heads the Private Equity (Direct Investments) business of GIC Singapore in India and Africa. He has over 26 years of experience in private equity and M&A transactions in India. Prior to GIC, he was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets	Companies 1. Mphasis Limited 2. Aditya Birla Fashion and Retail Limited 3. Bandhan Financial Holdings Limited 4. Bandhan Financial Services Limited 5. Ather Energy Private Limited 6. Singapore InvestCorp (India) Private Limited 7. SPORE Investment Management (India) Private Limited Partnership in firms Nil
Mr. Ashish Dikshit DIN: 01842066 Date of Birth: July 15, 1969 Designation: Managing Director Occupation: Service Experience: Mr. Ashish Dikshit is the Managing Director of our Company. He is also the managing director of Aditya Birla Fashion and Retail Limited. He holds a bachelor's degree in electrical engineering from Indian Institute of Technology, Madras and a master's degree in business administration from Indian Institute of Management, Bangalore. Mr. Dikshit has over 30 years of experience in diverse roles across industries and functions. He started his career at Asian Paints before moving to Madura Fashion and Lifestyle (MFL) Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He also served as the Principal Executive Assistant to the Chairman of Aditya Birla Group. He was appointed as President of MFL Division in 2007 and went on to become its CEO in 2012. He took over as the managing director of Aditya Birla Fashion and Retail Limited in February 2018	Companies 1. Jaypore E-Commerce Private Limited. 2. Goodview Fashion Private Limited 3. Indivinity Clothing Retail Private Limited 4. Finesse International Design Private Limited 5. Retailers Association of India 6. Aditya Birla Digital Fashion Ventures Limited 7. House of Masaba Lifestyle Private Limited 8. Novel Jewels Limited 9. Footwear Design and Development Institute 10. CLI Footwear and Accessories Private Limited. 11. Aditya Birla Fashion and Retail Limited. 12. Aditya Birla Management Corporation Private Limited Partnership in firms 1. Sabyasachi Calcutta LLP
Mr. Vishak Kumar DIN: 09078653 Date of Birth: June 23, 1972 Designation: Deputy Managing Director and Chief Executive Officer Occupation: Service Experience: Mr. Vishak Kumar is the Deputy Managing Director and Chief Executive Officer on the Board of our Company. He holds a bachelor's degree in computer engineering from BIT Ranchi and a master's degree in business administration from the Indian Institute of Management, Bangalore. He has 30 years of experience. He joined the Madura business in 1995 as a Management Trainee. During his 30 year long stint, he has worked across functions and occupied various roles in sales, marketing and retail. Prior to his stint as CEO of Madura, he was the CEO of Aditya Birla Retail Limited, where he was instrumental in transforming the "More" Supermarket and Hypermarket business.	Companies Nil Partnership in firms Nil
Mr. Arun Adhikari Kumar DIN: 00591057 Date of Birth: January 20, 1954 Designation: Independent Director Occupation: Retired Experience: Mr. Arun Kumar Adhikari is an Independent Director on the Board of our Company. He holds a bachelor's degree in chemical engineering from the Indian Institute of Technology, Kanpur, and a master's degree in business administration from Indian Institute of Management, Calcutta. Mr. Adhikari joined Hindustan Unilever Limited as Management Trainee in 1977 and was with Unilever through his full career. He retired from Unilever in January 2014 as Senior Vice-President for Unilever Laundry Category across Asia and Africa (Singapore). He has also worked with McKinsey & Company in India as Senior Advisor from May 2014 for 4 years	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Capital Limited 3. Hindalco Industries Limited 4. Voltas Limited 5. Aditya Birla Sun Life Insurance Company Limited 6. Voltbek Home Appliances Private Limited Partnership in firms Nil
Mr. Sunirmal Talukdar DIN: 00920608 Date of Birth: December 6, 1951 Designation: Independent Director Occupation: Retired Experience: Mr. Sunirmal Talukdar is an Independent Director on the Board of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He holds a bachelor's degree in science from St. Xavier's College, Calcutta University. Mr. Talukdar has over 3 decades of rich & comprehensive experience backed by benchmark competencies in the areas of Strategic & Tactical Planning, Mergers & Acquisitions, Risk Management, Public Reporting, Regulatory Compliance and Corporate Governance etc. He retired as Group Executive President and Chief Financial Officer of Hindalco Industries Limited in 2012. Afterwards he worked with Haldia Petrochemicals Limited as Head-F&A, EVP, and CFO from November 2016 to November 2018.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Heubach Colorants India Limited 3. Sasken Technologies Limited 4. Aditya Birla Real Estate Limited 5. Vodafone Idea Limited 6. Innvol Medical India Limited 7. Indivinity Clothing Retail Private Limited 8. Assam Carbon Products Limited Partnership in firms Nil
Mr. Nish Bhutani DIN: 03035271 Date of Birth: March 7, 1967 Designation: Independent Director Occupation: Business Experience: Mr. Nish Bhutani is an Independent Director on the Board of our Company. He holds a bachelor's and master's of science degree in engineering from Stanford University and a master's degree in business administration from Harvard University. He has over 33 years of experience with digital and technology companies in Silicon Valley, the UK, and India. He is a founder & CEO of Indiginus Learning Pvt. Ltd. and he also a founder of Indiginus Inc.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Indiginus Learning Private Limited 3. Indiginus Inc. Indiginus Inc. Partnership in firms Nil
Ms. Preeti Vyas DIN: 02352395 Date of Birth: November 26, 1956 Designation: Independent Director Occupation: Business Experience: Ms. Preeti Vyas is an Independent Director on the Board of our Company. She is a Graduate from of National Institute of Design. Ms. Vyas is an independent entrepreneur and has steered Vyas Giannetti Creative to a top position in India as an independent Design and Communication Consultancy. She has been counted among 50 most influential women in India by Impact and Verve magazines, ranked as one of the top creative minds by the Economic Times and named one of the 25 most Powerful Women in Indian business by Business Today. She is also a member of Indian Design Council	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Real Estate Limited. 3. Birla Estates Private Limited 4. Novel Jewels Limited 5. Goodview Fashion Private Limited 6. Indivinity Clothing Retail Private Limited Partnership in firms 1. 3Sixty 2. Vyas Giannetti Creative LLP
Mr. Yogesh Chaudhary DIN: 01040036 Date of Birth: October 9, 1986 Designation: Independent Director Occupation: Carpet Business Experience: Mr. Yogesh Chaudhary is an Independent Director on the Board of our Company. He was a Management student from Boston College, USA. Mr. Chaudhary has immense entrepreneurial abilities and deep knowledge in the manufacturing business, leading Jaipur Rugs increase its global presence to 65 plus nations, from just two a decade ago. He is also a vital part of many prestigious associations such as Rajasthan Angel Investors network, Intellecap Impact Investment Network and Entrepreneurs Organization, to name a few.	Companies 1. Aditya Birla Fashion and Retail Limited. 2. Infurnia Holdings Limited 3. Goodview Fashion Private Limited 4. Tech Designworks Private Limited 5. Shyam Ahuja Private Limited 6. Marie-Anne Jaipur Private Limited 7. Jaipur Rugs Company Private Limited Partnership in firms 1. Balwana Ventures LLP 2. Asterlane Home LLP 3. Warmup Ventures LLP 4. Snspartans Management LLP 5. Marici Capital Advisors LLP 6. Warmup Venture Partners II LLP 7. Aspura Gallery LLP
Mr. Venkatesh Satyaraj Mysore DIN: 01401447 Date of Birth: December 30, 1958 Designation: Independent Director Occupation: Professional Experience: Mr. Venkatesh Satyaraj Mysore is an Independent Director on the Board of our Company. He holds a bachelor's degree in marketing and finance and a master's degree in business administration from the University of Madras. Mr. Mysore holds extensive experience in sports management, entertainment, and financial services. He is the CEO of The Knight Riders Group & Red Chillies Entertainment since 2010, leading the global expansion of the Knight Riders franchise in T20 cricket across multiple leagues. He played a key role in establishing MetLife India as its first CEO/ MD and securing its license through collaboration with IRDA.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Meer Foundation 3. TransAfrica Assurance Co Ltd – Kampala 4. TKR (St. Lucia) Ltd 5. TKR Trinidad Ltd 6. Knight Riders Sports USA Inc. 7. Knight Riders Sports Middle East–Sole Proprietorship LLC Partnership in firms 1. VVPAM Mysore LLP

8. **BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY**

Business Overview:

The Company was incorporated on April 9, 2024 as a wholly owned subsidiary of ABFRL. Pursuant to the effectiveness of Scheme on May 1, 2025, the MFL Business operated by ABFRL stands demerged, transferred and vested in our Company with the appointed date of April 1, 2024.

Aditya Birla Lifestyle Brands Limited (ABLBL) comprises of lifestyle brands who primarily play in the western wear segment with brands such as Louis Philippe, Van Heusen, Allen Solly and Peter England. It also includes youth wear brand such as American Eagle, sportswear brand Reebok and the innerwear business under Van Heusen.

Business Strategy:

Our strategic approach is aimed towards building a leadership position in large total addressable markets and high growth segments through distinct brands.

Lifestyle Brands are actively expanding into diverse categories and new consumer segments. Beyond men's wear, these brands are making strategic in-roads into casual wear, non-apparel, kids wear, women's wear, wedding wear and accessories, which are important for building product portfolio and driving growth through acquisition of new customers.

We have also identified key growth areas including innerwear, sportswear and youth wear, where we have already established a meaningful presence via brands Van Heusen, Reebok and American Eagle.

By expanding into new and white spaces within our existing markets, we are well-positioned for robust growth in the coming years. Our focus on digital transformation empowers us to remain agile and responsive in an ever-evolving retail landscape. Coupled with a holistic approach to innovation and product development, ABLBL is poised for exponential growth across all brands, further strengthening our presence in both mature and emerging markets.

9. **REASONS FOR THE SCHEME OF ARRANGEMENT**

The rationale of the Demerger envisaged in the Scheme is expected, inter-alia, to result in following benefits:

1. ABFRL runs a diverse portfolio of fashion brands and retail formats with key business segments comprising of Madura Fashion and Lifestyle and Pantaloons, Ethnic portfolio along with other new growth platforms;
2. The MFL Business has built a leadership position over a long period of time and has a proven track record of delivering consistent revenue growth, profitability, strong free cash flows and high return on capital. The Remaining Business of the Demerged Company comprises portfolio of multiple businesses; and
3. The Scheme is being proposed to separate MFL Business from the Remaining Business of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Demerged Company, Resulting Company and, their respective shareholders, employees, creditors and other stakeholders for the below reasons:
   - (a) The distinctive profile and established business model of the MFL Business makes it suitable to be housed in a separately listed entity, allowing sharper strategic focus in pursuit of its independent value creation trajectory;
   - (b) Result in better and efficient control and management for the segregated businesses, operational rationalization, organization efficiency and optimum utilization of various resources;
   - (c) The Scheme would unlock value for the overall-business portfolio through price discovery of the individual entities for existing shareholders;
   - (d) The Demerged Company will house multiple growth platforms across value and masstige retail, branded ethnic business, super premium and luxury retail formats and portfolio of digital brands and will chart its own growth journey;
   - (e) The Scheme could lead to the right operating architecture for both companies with sharper focus on their individual business strategies and clear capital allocation, in alignment with their respective value creation journeys; and
   - (f) Separately listed companies to attract specific set of investors for their business profile, and consequently, encourage stronger capital market outcomes.

10. **RESTATED AUDITED FINANCIALS FOR THE PREVIOUS THREE FINANCIAL YEARS PRIOR TO THE DATE OF LISTING**

The Company was incorporated on April 9, 2024. Since there is no prior year/ period for the purpose of restating the financial statements, the standalone and consolidated financial statements for financial year ended March 31, 2025 is reproduced here. There is no audit qualification made by the Auditors of the Company in the Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2025.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Standalone Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	508.28
(b) Capital work-in-progress	3b	11.69
(c) Right-of-use assets	4a	1,523.53
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Investment in a subsidiary	6a	35.00
(ii) Loans	7	0.48
(iii) Security deposits	8	176.51
(iv) Other financial assets	9	203.74
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.68
(i) Other non-current assets	11	53.75
Total - Non-current assets		**3,774.84**
II Current assets		
(a) Inventories	12	2,107.52
(b) Financial assets		
(i) Current investments	6b	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.13
(iv) Trade receivables	15	1,325.48
(v) Cash and cash equivalents	16	52.99
(vi) Bank balance other than Cash and cash equivalents	17	0.07
(vii) Other financial assets	18	76.06
(c) Other current assets	19	616.65
Total - Current assets		**4,401.82**
TOTAL - ASSETS		**8,176.66**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share suspense	21	1,220.26
(c) Other equity	21	73.59
Total - Equity		**1,293.90**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	1.04
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.20
(c) Other non-current liabilities	25	19.53
Total - Non-current liabilities		**2,352.03**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	850.18
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,029.42
(iv) Deposits		250.55
(v) Other financial liabilities	28	140.17
(b) Provisions	29	140.83
(c) Other current liabilities	30	567.35
Total - Current liabilities		**4,530.73**
TOTAL - EQUITY AND LIABILITIES		**8,176.66**
Basis of preparation	2	

Standalone Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
I Revenue from operations	31	7,829.73
II Other income	32	77.27
III Total income (I + II)		**7,907.00**
IV Expenses		
(a) Cost of materials consumed	33a	1,008.91
(b) Purchase of stock-in-trade	33b	2,146.68
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
(d) Employee benefits expense	34	899.91
(e) Finance costs	35	376.95
(f) Depreciation and amortisation expense	36	701.65
(g) Rent expense	44a	764.70
(h) Other expenses	37	1,678.27
Total expenses		**7,717.48**
V Profit/(Loss) before exceptional items and tax (III - IV)		**189.52**
VI Exceptional items	37a	(98.33)
VII Profit/(Loss) before Tax (V + VI)		**91.19**
VIII Income tax expense		
(a) Current tax	38	-
(b) Current tax relating to earlier years	38	-
(c) Deferred tax	38	22.19
		22.19
IX Profit/(Loss) for the year (VII - VIII)		**69.00**
X Other comprehensive income		
Items that will not be reclassified to profit or loss		
(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.30)
Income tax effect on above		1.08
Total other comprehensive income for the year		**(3.22)**
XI Total comprehensive income for the year (IX + X)		**65.78**
XII Earnings per equity share [Nominal value of share ₹ 10]	39	
Basic (₹)		0.57
Diluted (₹)		0.57
Basis of preparation	2	

Standalone Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

₹ in Crore

	Reserves and surplus			Other comprehensive income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note - 21)	Group share based payment reserve (Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	69.00	-	-	-	69.00	-
Other comprehensive income for the year	-	-	-	(3.22)	(3.22)	-
Pursuant to Composite Scheme	-	40.00	(33.68)	-	6.32	1,220.26
Capital contribution on Company share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**69.00**	**41.49**	**(33.68)**	**(3.22)**	**73.59**	**1,220.26**

Standalone Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		**91.19**
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	784.47
Finance costs	35	376.95
Gain on termination of right-of-use assets (Including exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/ discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(5.99)
Net Unrealised exchange (gain)/ loss		14.17
Interest income from financial assets at amortised cost	32	(42.10)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,232.05**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(385.26)
(Increase)/ decrease in inventories		93.76
(Increase)/ decrease in other assets		58.38
Increase/ (decrease) in trade payables		166.69
Increase/ (decrease) in provisions		27.42
Increase/ (decrease) in other liabilities		(56.22)
Cash generated from/ (used in) operations		**1,136.81**
Income taxes paid (net of refund)		(3.59)
Net cash flows from/ (used) in operating activities		**1,133.22**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(204.31)
(Purchase)/ proceeds from sale or redemption of current investments (net)		244.57
Proceeds from sale of property, plant and equipment and intangible assets		2.95
Interest received		6.00
Net cash flows from/ (used) in investing activities		**49.21**
Cash flows from financing activities		
Proceeds from issuance of equity share capital		0.05
Proceeds/ (repayments) of current borrowings (net)		(479.32)
Repayment of non-current borrowings		(11.23)
Repayment of lease liabilities		(453.25)
Interest payment on lease liabilities		(187.74)
Interest paid	35	(130.16)
Net cash flows from/ (used) in financing activities		**(1,261.65)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.22)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite Scheme		132.21
Cash and cash equivalents at the end of the year	16	**52.99**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.59
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**52.99**

Notes to the Standalone Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company is engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The standalone 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 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Standalone 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

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

The key assumptions concerning the future and other key sources of estimation, 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's assumptions and estimates are based on parameters available at the time of preparation of financial statements. 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.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Company uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Standalone Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Company provides for discount and sales return based on season wise, brand wise and channel wise trend. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Company:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

₹ in Crore

	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	44.00	297.38	201.56	55.50	264.17	27.73	26.87	923.13
Additions	-	0.18	28.96	51.62	12.17	81.64	10.09	18.28	202.94
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**5.92**	**44.18**	**321.00**	**233.32**	**57.11**	**319.30**	**34.94**	**40.79**	**1,056.56**
Depreciation									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.30	134.23	105.80	23.57	175.20	15.30	4.60	469.00
Depreciation for the year (Refer Note: 36)	-	1.47	21.52	42.32	12.23	53.11	7.12	7.87	145.64
Disposals	-	-	4.89	19.84	10.52	26.24	2.88	1.99	66.36
As at March 31, 2025	**-**	**11.77**	**150.86**	**128.28**	**25.28**	**202.07**	**19.54**	**10.48**	**548.28**
Net carrying value as at:									
March 31, 2025	**5.92**	**32.41**	**170.14**	**105.04**	**31.83**	**117.23**	**15.40**	**30.31**	**508.28**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	508.28
Total	**508.28**

Note:- The Company has received assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Property, plant and equipment are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note 48). Management will initiate the process to transfer these assets in the name of the Company.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	11.69
Total	**11.69**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	11.69	-	-	-	11.69
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Company is the lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Company is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	10.42	2,648.24	15.60	84.96	3.49	2,762.71
Additions	-	604.48	-	4.51	-	608.99
Termination	-	511.61	-	-	-	511.61
As at March 31, 2025	**10.42**	**2,741.11**	**15.60**	**89.47**	**3.49**	**2,860.09**
Depreciation						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.91	1,198.19	10.65	55.71	1.93	1,267.39
Depreciation for the year (Refer Note: 36)	0.13	477.79	3.09	17.35	0.68	499.04
Termination	-	429.87	-	-	-	429.87
As at March 31, 2025	**1.04**	**1,246.11**	**13.74**	**73.06**	**2.61**	**1,336.56**
Net carrying value as at:						
March 31, 2025	**9.38**	**1,495.00**	**1.86**	**16.41**	**0.88**	**1,523.53**

Note :- The Company has received Right-of use assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Right-of use assets are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note: 48). Management will initiate the process to transfer these assets in the name of the Company.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,523.53
Total	**1,523.53**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**
Note :- Lease liabilities Includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.	
Current	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note: 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.75	0.43	562.37	1,370.06
Additions	-	5.31	1.44	5.93	-	12.68
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.77**	**108.18**	**6.36**	**528.56**	**1,348.92**
Amortisation						
As at April 01, 2024						
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.49	0.27	59.41	125.67
Amortisation for the year (Refer Note - 36)	-	1.33	21.35	1.96	32.33	56.97
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.80	33.81
As at March 31, 2025	**64.38**	**7.83**	**80.83**	**2.23**	**76.38**	**231.65**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.94**	**27.35**	**4.13**	**452.18**	**1,117.27**

Note:- The Company has received intangible assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme (Refer Note:48).

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to acquisition upon aprrovel of the Scheme of Arrangement between the Company and Aditya Birla Fashion and Retail Limited by the NCLT on March 27, 2025. (Refer note 48)

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is invloved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprises operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21"" (""F21""), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores on September 30, 2024.

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the Madura Fashion & Lifestyle CGU

Value in use calculation of CGU:

The recoverable amount of the CGU as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of the CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of

continue to next page

debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

	Discount Rate
	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 (a) NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN EQUITY OF SUBSIDIARY

₹ in Crore

	As at March 31, 2025
(a) Investments in subsidiary	
Investments in subsidiaries: (Carried at cost)	
Unquoted equity instruments	
3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited (Refer Note - 1 below)*	35.00
Total	**35.00**
*Transfer of 3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited as per the Composite Scheme.	
(b) Current Investments (Carried at fair value through profit and loss (FVTPL))	
Quoted	
Investment in Mutual Fund schemes	117.18
Total	**117.18**
Aggregate book value of unquoted investments	35.00
Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Notes:

1. Aditya Birla Garments Limited (ABGL), a wholly owned subsidiary of the Company was incorporated on June 15, 2022 in compliance with the requirements of 'Operational Guidelines for the Production Linked Incentive (PLI) scheme for promoting Manmade fibre and Textile segments'. The Company has committed to provide support to fund the operations of ABGL in the forseeable future.
2. Folio of Mutual fund are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (refer note 48). Management will initiate the process to transfer these assets in the name of the Company.
3. The Company has received Mutual funds relating to Madura Fashion & lifestyle business pursuant to Composite Scheme.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans to employees	
Unsecured, considered good	0.48
Total	**0.48**

NOTE: 8 NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.51
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.51**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	0.49
Total	**203.74**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Standalone Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Standalone Balance Sheet		Standalone Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 Transferred pursuant to Composite Scheme (Refer note 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(93.90)	(31.99)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	33.95	(3.78)
Share-based payment	9.22	9.89	0.67
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	124.84	68.89
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.80)	(24.33)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**151.02**	**21.11**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	151.02
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note - 38)	(22.19)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note - 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17% .

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.65
Prepayments	5.51
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**53.75**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

See note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	233.07
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.09
Packing materials	5.07
Total	**2,107.52**

During the year ended March 31, 2025 ₹ Nil is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.13
Unsecured, considered doubtful	7.58
Expected credit loss	(7.58)
Total	**100.13**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.21
Trade receivables from related parties (Refer Note - 45)	151.34
	1,355.55
Less: Loss Allowances	(30.07)
Total	**1,325.48**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,265.08
	1,355.55

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Ageing of Trade Receivables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						
		Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,107.10	110.30	84.18	28.52	-	-	1,330.10
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii)	Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii)	Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
	Disputed	-	-	-	0.43	0.59	7.50	8.52
	Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix)	Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x)	Expected credit loss	-	-	-	-	-	-	(3.32)
	Total	**1,107.10**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,325.48**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	Expected credit loss (%)		
	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total	**-**	**-**	**581.55**

Impact is considered to be immaterial

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.59
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
As at the end of the year	**52.99**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.21	(79.22)	-	-	52.99
Current investments	361.75	244.57	-	(489.14)	117.18
Total (a)	**493.96**	**165.35**	**-**	**(489.14)**	**170.17**
Financing activities					
Non-current borrowings	1.99	(11.23)	-	10.28	1.04
Current borrowings (including current maturities of non-current borrowings)	1,339.78	(479.32)	-	(10.28)	850.18
Lease liabilities	1,904.30	(640.99)	-	716.95	1,980.26
Total (b)	**3,246.07**	**(1,131.54)**	**-**	**716.95**	**2,831.48**
Net debt (b-a)	**2,752.11**	**(1,296.89)**	**-**	**1,206.09**	**2,661.31**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.07
As at the end of the year	**0.07**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	15.90
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.06**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	22.95
Advance to suppliers	107.92
Export incentives	3.59
Balances with government authorities (other than income tax)	168.59
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**616.65**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2025		
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of shares held	% of paid-up share capital
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Company.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Reserves and surplus	
Retained earnings	
As at the beginning of the year	-
Profit/(Loss) for the period	69.00
As at the end of the year	**69.00**
Group share options outstanding account	
As at the beginning of the year	-
Pursuant to Composite Scheme	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Pursuant to Composite Scheme	(33.68)
As at the end of the year	**(33.68)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Gains/ (losses) during the period	(3.22)
As at the end of the year	**(3.22)**
Total	**1,293.85**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	1,220.26
Reserves and surplus	
Retained earnings	69.00
Group share options outstanding account	41.49
Capital reserve	(33.68)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.22)
Total	**1,293.85**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite Scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Share options outstanding account**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   This reserve is created against the difference in the net assets transferred and issuance of equity share capital in effect to the Composite Scheme. The reserve will be utilised in accordance with the provision of the Act.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Term loan from others			
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**1.04**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	1.43
Total (included in Current Borrowings)			**500.71**
*Net off unamortised charges			
Aggregate secured borrowings			-
Aggregate unsecured borrowings			501.75

Note:-

(i) The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initaite the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Company.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to ₹ 1.92 Crore is repayable in monthly instalments till June 2026.

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note - 41)	9.87
Stock Appreciation Rights (SAR)	12.33
Total	**22.20**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	19.53
Total	**19.53**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note - 22)	500.71
Total current borrowings	**850.18**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,029.42
Total	**2,118.27**

*Includes payables to related parties (Refer Note: 45).

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

₹ in Crore

		As at March 31, 2025
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
	Principal amount due to Micro and Small Enterprises*	101.57
	Interest due on the above	0.24
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c.	The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 12.96 Crore as at March 31, 2025 .

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	84.32	4.05	-	0.00	0.03	88.40
(ii)	Others	971.15	973.44	65.80	4.97	12.52	2,027.88
(iii)	Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv)	Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	24.77
Derivative contracts	4.96
Employee Payable	102.62
Liability towards license rights	1.41
Total	**140.17**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	57.27
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note: 44)	50.02
Total	**140.83**

Movement of provision for pending litigations during the period:

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	53.09
Add: provision made during the period	0.78
Less: provision utilised during the period	(3.03)
Less: provision reversed during the period	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.15
Statutory dues (other than income tax)	36.36
Refund liabilities	499.11
Total	**567.35**

*** Deferred revenue**

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.55
Deferred during the period	46.29
Released to the Standalone Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

· Identify the contract with a customer;

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Aditya Birla Lifestyle Brands Limited

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- 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 from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Cpmpany's brand name. Revenue is recognised over time based on the terms of contracts with the customer

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	Period ended March 31, 2025
Revenue from sale of products	
Sale of products	7,747.46
Revenue from redemption of loyalty points (Refer Note: 30)	45.47
Total revenue from sale of products	**7,792.93**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.13
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.73**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,325.48
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.70
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(d) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss:

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.70
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(e) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.67
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	5.99
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note: 43a)	6.99
Miscellaneous income	19.60
Total	**77.27**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,055.89
	1,241.98
Less: Inventories at the end of the year	233.07
Total	**1,008.91**

₹ in Crore

	As at March 31, 2025
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	**2,146.68**
Total	**2,146.68**

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

₹ in Crore

	As at March 31, 2025
Opening inventories	
Finished goods	419.01
Stock-in-trade	1,568.20
Work-in-progress	20.49
	2,007.70
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	771.93
Contribution to provident and other funds (Refer Note: 41)	53.41
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.22
Staff welfare expenses	42.59
Total	**899.91**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	94.19
Interest on deposit	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**376.95**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	145.64
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.04
Amortisation on intangible assets (Refer Note: 5)	56.97
Total	**701.65**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.25
Power and fuel	15.65
Electricity charges	71.23
Repairs and maintenance	
Buildings	0.01
Plant and machinery	0.71
Others	165.10
Insurance	6.54
Rates and taxes	15.05
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	120.94
Royalty expenses	14.10
Legal and professional	97.81
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.27
Travelling and conveyance	85.29
Bank and credit card charges	31.43
Payment to auditors (Refer details below)	1.51
Postage expenses	6.67
Foreign exchange loss (net)	16.10
Information technology	109.34
Outsourcing, housekeeping and security	429.94
Miscellaneous	43.08
Total	**1,678.27**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.20
For tax audit fees	0.15
For other services	0.04
For reimbursement of expenses	0.12
Total	**1.51**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Standalone Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	-
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		22.19
	(B)	**22.19**
Total	(A+B)	**22.19**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**91.19**
Tax expense/ (income) at statutory income tax rate of 25.17%	**22.95**
Reconciling items:	
Expenses disallowed for tax purposes	0.47
Others	(1.23)
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**22.19**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss		69.00
Profit/(Loss) for calculation of EPS	(A)	**69.00**
Weighted average number of equity shares for calculation of Basic EPS	(B)	1,22,02,60,946
Profit / (Loss) per share - basic (₹)	(A/B)	**0.57**
Weighted average number of equity shares outstanding		1,22,02,60,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,22,02,60,946
Diluted EPS (₹)	(C)	**0.57**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Requirements of Section 135 of the Companies Act, 2023 are not applicable to the Company during the period ended March 31, 2025.

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vest after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Company funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Company.

The Company has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and Standalone Balance Sheet.

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/ (deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing defined benefit obligation	**82.96**

Amounts recognised in the Standalone Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

The principal assumptions used in determining gratuity liability for the Company are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	6.70%
Salary escalation rate	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	(3.66)	3.93
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	3.91	(3.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.05
Between 2 and 5 years	35.74
Between 6 and 10 years	38.34
Beyond 10 years	97.52
Total	**182.65**

The Company is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	38.09
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	6.67
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Superannuation Fund	0.60
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.87
Total	**53.41**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment transactions	1.49
Expense arising from cash-settled share-based payment transactions	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below :-

	Option SARs	RSU SARs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-		-	
Transfer pursuant to Composite Scheme	3,88,363	164.23	84,976	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	**-**		**-**	
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors (""Board"") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 (""Scheme 2019""), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees. Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019

	Option SARs	RSU SARs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/ at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below :

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	14,78,113	209.50	2,47,625	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below :

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting	Bullet vesting
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	**Weighted average exercise price (₹ per share)**	**No. of RSU SARs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-		-	
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

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II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	1,813,089	578,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	1,813,089	317.93	578,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Unvested at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs as on grant date during the year:

	Options	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Company has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Company has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both

Expenses/ Income recognised in the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.04
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Standalone Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.19
Total	**2,121.59**

The initial non-cancellable period of the lease agreement pertaining to stores are upto 3 years, beyond which there is an option for the Company to continue the lease, which the Company expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term of the stores. Post such period, the Company has the option to exit the lease by giving a notice period and the Company assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.26 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	39.87
Total	**39.87**

c) Other commitments

As at March 31, 2025, the Company has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	March 31, 2025
Claims against the Company not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	3.55
Textile committee cess	0.75
Others*	2.71
Total	**7.61**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Company's pending litigations comprise of claims against the Company primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for commercial taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Company has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025

Note :- As per the approved Composite Scheme of Arrangement, the Company has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025) *

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Wholly owned subsidiary

Aditya Birla Garments Limited

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Director with effect from April 09, 2024

Mr. Anil Malik- Director with effect from April 09, 202

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	241.45	-	-
Reimbursement of expenses recovered from	0.65	-	-
Purchase of goods	69.57	-	-
Reimbursement of expenses paid to	121.18	-	-
Production services given	11.21	-	-
Purchase of capital item	0.07	-	-
Transfer of Post-employment liabilities	0.86	-	-

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.44	-	-
Amounts owed by related parties	151.34	-	-

Note:-

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes:15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related

Aditya Birla Lifestyle Brands Limited

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party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	112,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	375,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	260,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	171,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	170,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	406,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	246,340
Total				**1,810,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	113,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**460,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Level 1	Fair value Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.64	276.64	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,325.48	1,325.48	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	52.99	52.99	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.07	0.07	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	279.80	279.80	-	-	-
Total	**117.18**	**-**	**1,941.20**	**2,058.38**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	1.04	1.04	-	-	-
Current borrowings (Refer Note - 26)	-	-	850.18	850.18	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,118.27	2,118.27	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	653.25	653.25	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,147.59**	**4,152.55**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

The investments made in a subsidiary as at March 31, 2025 is ₹ 35 Crore and is measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Company, pursuant to the demerger.

b) Investment:

i) Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Company's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	(1.65)	1.65
Increase/ (decrease) in Profit/ loss after tax	(1.23)	1.23

The assumed movement in interest rates for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The Company manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Company has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Standalone Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	4.97	433.08

The details of unhedged foreign currency exposure as at the Standalone Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Company's Profit/ loss before tax is due to changes in the foreign currency rate as below.

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company only deals with parties which has good credit rating given by external rating agencies or based on the Company's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Standalone Statement of Profit and Loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Company has 24 customers that owed the Company more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 99.88% of the Company's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to various sources of funding.

The below tables summarises the maturity profile of the Company's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	888.65	1.04	-	889.69
Lease liabilities	566.20	1,188.20	367.19	2,121.59
Other financial liabilities	190.74	236.76	911.76	1,339.26
Deposits	250.55	274.30	-	524.85
Trade payables	2,118.27	-	-	2,118.27
Total	**4,014.41**	**1,700.30**	**1,278.95**	**6,993.66**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March 31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	850.18
Long-term debts	1.04
Total borrowings	**851.22**
Equity (including share suspense)	1,293.90

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

NOTE 48: BUSINESS COMBINATION

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger. Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024. Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	454.13
Capital work-in-progress	17.74
Goodwill	692.05
Other intangible assets	552.34
Right to use	1,495.32
Financial assets	
(i) Investment in equity of a subsidiary	35.00
(ii) Loans	0.41
(iii) Security deposits	180.20
(iv) Other financial assets	197.55
Deferred tax assets (net)	151.02
Non-current tax assets (net)	11.09
Other non-current assets	39.74
Total - Non-current assets	**3,826.59**
Current assets	
Inventories	2,201.29
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.49
(iii) Security deposits	70.66
(iv) Trade receivables	940.96
(v) Cash and cash equivalent	132.21
(vi) Bank balance other than above	0.05
(vii) Other financial assets	79.12
Other current assets	662.05
Total - Current assets	**4,455.58**
TOTAL - ASSETS - A	**8,282.17**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1.99
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	506.17
Provisions	7.42
Other non-current liabilities	19.69
Total - Non-current liabilities	**2,204.46**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,339.78
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	64.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,886.03
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	116.15
Provisions	128.62
Other current liabilities	558.57
Total - Current liabilities	**4,851.13**
Total - Liabilities - B	**7,055.59**
Net Assets - C (A - B)	**1,226.58**

Against the net assets of ₹ 1,226.58 Crore, the Company has created share suspense and share based payment reserve of ₹1220.26 crore and ₹40.00 Crore respectively and the balance of ₹(33.68) Crore has been recognised as Capital reserve

NOTE - 49 RATIO DISCLOSURES

	As at March 31, 2025	Reasons for variance more than 25%
Current ratio (times)1	1.08	Refer note below
Debt equity ratio (times)2	0.39	
Debt service coverage ratio (times)3	1.52	
Return On Equity (%)4	5.48%	
Inventory turnover (times)5	3.63	
Debtors turnover (times)6	6.91	
Trade Payables turnover (times)7	1.57	
Net capital turnover (times)8	5.97	
Net profit margin (%)9	0.88%	
Return On Average Capital Employed (%)10	10.88%	
Return On Investment (%)11	5.69%	

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity

   Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments

   Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

   * Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

Note:

1. The Ratio have been calculated considering the assets and liabilities acquired by the company pursuant to the scheme of arrangement as opening assets and liabilities.
2. The Company was incorporated on April 09, 2024. This is the first financial statements of the Company. Accordingly, explanation of reason for variance more than 25% is not applicable in the current year.

NOTE - 50 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The company's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Standalone 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.

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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 described as follows, based on its nature, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Standalone Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone 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 Standalone Statement of Profit and Loss are also reclassified in OCI or the Standalone Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) 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 Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Company had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Standalone Statement of Profit and Loss are recognised outside the Standalone 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Standalone 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 Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Standalone Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Standalone Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) 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 Standalone 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 are recognised in the Standalone 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 Standalone 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.

(j) 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 and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter

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period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Call options over shares in the acquired subsidiary is initially recognised as a financial asset at fair value, with subsequent changes in fair value recognised in the standalone statement of profit and loss.

(iv) Equity investments

Investment in Subsidiaries is out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries its carrying value, and then recognises the impairment loss in the Standalone statement of profit and Loss.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Standalone Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Standalone Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognises financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks and options contract in accordance with agreement. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Standalone Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the Standalone Statement of Profit and Loss when the hedge item affects the Standalone Statement of Profit and Loss or treated as basis adjustment, if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (Refer Note – 44).

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. The gratuity plan is funded (maintained by an independent insurance company) hence the liability has been categorized as funded. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

During the period, the Company was not granted working capital loans secured by current assets; therefore, it was not required to file quarterly statements with any banks or financial institutions.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries."

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

In accordance with the Scheme of Arrangement, the Company has assumed unsecured borrowings from the Demerged Company and, as a result, is not required to register charges with the Registrar of Companies.

NOTE - 53 Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

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THE CONSOLIDATED FINANCIAL STATEMENTS / INFORMATION ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Consolidated Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	638.54
(b) Capital work-in-progress	3b	13.00
(c) Right-of-use assets	4a	1,524.37
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Loans	7	0.48
(ii) Security deposits	8	176.73
(iii) Other financial assets	9	204.67
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.76
(i) Other non-current assets	11	54.05
Total - Non-current assets		**3,873.78**
II Current assets		
(a) Inventories	12	2,108.82
(b) Financial assets		
(i) Current investments	6	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.15
(iv) Trade receivables	15	1,322.05
(v) Cash and cash equivalents	16	53.06
(vi) Bank balance other than cash and cash equivalents	17	0.59
(vii) Other financial assets	18	76.16
(c) Other current assets	19	621.50
Total - Current assets		**4,405.25**
TOTAL - ASSETS		**8,279.03**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share Suspense	21	1,220.26
(c) Other equity	21	56.22
Total - Equity		**1,276.53**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	77.44
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.71
(c) Other non-current liabilities	25	26.02
Total - Non-current liabilities		**2,435.43**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	874.75
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,032.21
(iv) Deposits		250.55
(v) Other financial liabilities	28	147.36
(b) Provisions	29	141.64
(c) Other current liabilities	30	568.07
Total - Current liabilities		**4,567.07**
TOTAL - EQUITY AND LIABILITIES		**8,279.03**
Basis of preparation	2	

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

Consolidated Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
I Revenue from operations	31	7,829.96
II Other income	32	77.71
III Total income (I + II)		**7,907.67**
IV Expenses		
(a) Cost of materials consumed	33a	1,010.33
(b) Purchase of stock-in-trade	33b	2,121.28
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
(d) Employee benefits expense	34	918.42
(e) Finance costs	35	382.00
(f) Depreciation and amortisation expense	36	705.73
(g) Rent expense	43a & 4a	764.70
(h) Other expenses	37	1,683.06
Total expenses		**7,725.93**
V Profit/(Loss) before exceptional items and tax (III - IV)		**181.74**
VI Exceptional items	37a	(98.33)
VII Profit/(Loss) before Tax (V + VI)		**83.41**
VIII Income tax expense		
(a) Current tax	38	-
(b) Current tax relating to earlier years	38	-
(c) Deferred tax	38	23.81
		23.81
IX Profit/(Loss) for the year (VII - VIII)		**59.60**
X Other comprehensive income		
Items that will not be reclassified to profit or loss		
(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.37)
Income tax effect on above		1.08
Total other comprehensive income for the year		**(3.29)**
XI Total comprehensive income for the year (IX + X)		**56.31**
XII Earnings per equity share [Nominal value of share ₹ 10]	39	
Basic (₹)		0.49
Diluted (₹)		0.49
Basis of preparation	2	

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

Consolidated Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

	Reserves and surplus			Other Comprehensive Income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note-21)	Group share based payment reserve(Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	59.60	-	-	-	59.60	-
Other comprehensive income for the year				(3.29)	(3.29)	
Pursuant to Composite scheme	-	40.00	(41.58)	-	(1.58)	1,220.26
Capital contribution on Group share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**59.60**	**41.49**	**(41.58)**	**(3.29)**	**56.22**	**1,220.26**

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

Consolidated Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		83.41
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	788.55
Finance costs	35	382.00
Gain on termination of right-of-use assets (Including Exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(6.08)
Net gain on current investments (including on redemption)	32	(0.07)
Net Unrealised exchange (gain)/ loss		14.03
Interest income from financial assets at amortised cost	32	(44.68)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,230.52**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(376.81)
(Increase)/ decrease in inventories		92.53
(Increase)/ decrease in other assets		57.21
Increase/ (decrease) in trade payables		166.32
Increase/ (decrease) in provisions		26.52
Increase/ (decrease) in other liabilities		(48.57)
Cash generated from/ (used) in operations		**1,147.72**
Income taxes paid (net of refund)		(3.55)
Net cash flows from/ (used) in operating activities		**1,144.17**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(246.48)
Proceeds from sale of property, plant and equipment and intangible assets		2.95
(Purchase)/proceeds from sale or redemption of current investments (net)		244.64
Interest received		5.84
Net cash flows from/ (used) in investing activities		**6.95**
Cash flows from financing activities		
Proceeds from issue of equity shares		0.05
Proceeds from non-current borrowings (net off charges)		37.21
Proceeds/ (repayments) of current borrowings (net)		(478.71)
Repayment of non-current borrowings		(11.83)
Repayment of lease liabilities		(453.22)
Interest paid on lease liabilities		(187.74)
Interest paid	35	(136.17)
Net cash flows from/ (used) in financing activities		**(1,230.41)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.29)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite scheme (Refer note: 48)		132.35
Cash and cash equivalents at the end of the year	16	**53.06**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.66
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**53.06**

Notes to the Consolidated Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company" or the "Holding Company), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company and its subsidiaries (together referred as the "Group") are engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The Consolidated financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), 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 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, 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 Group's assumptions and estimates are based on parameters available at the time of preparation of financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Consolidated Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Group:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

2.6 Principles of consolidation

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiary. Subsidiary is the entity controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110) notified under Section 133 of the Companies Act, 2013. The Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 6 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

Property, Plant and Equipment

₹ in Crore

Cost	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	66.50	323.76	201.56	55.93	265.04	27.98	27.13	973.82
Additions	0.26	44.41	65.41	51.62	12.60	83.38	11.29	18.28	287.25
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**6.18**	**110.91**	**383.83**	**233.32**	**57.97**	**321.91**	**36.39**	**41.05**	**1,191.56**
Depreciation									
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.36	134.62	105.80	23.64	175.35	15.35	4.61	469.73
Depreciation for the year (Refer Note: 36)	-	2.75	23.44	42.32	12.38	53.51	7.36	7.92	149.68
Disposals	-	-	4.89	19.84	10.52	26.27	2.88	1.99	66.39
As at March 31, 2025	-	**13.11**	**153.17**	**128.28**	**25.50**	**202.59**	**19.83**	**10.54**	**553.02**
Net carrying value as at:									
March 31, 2025	**6.18**	**97.80**	**230.66**	**105.04**	**32.47**	**119.32**	**16.56**	**30.51**	**638.54**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	638.54
Total	**638.54**

Note: The Group has received assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Property, Plant and Equipment are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to the transfer these assets in the name of the Holding Company or its Subsidiary.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	13.00
Total	**13.00**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	13.00	-	-	-	13.00
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Group is the lessee

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Consolidated Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Group is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipmen	Computers	Furniture and fixtures	Office equipment	Total
Cost							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	11.33	2,648.24	15.60	-	84.96	3.49	2,763.62
Additions	-	604.48	-	-	4.51	-	608.99
Termination	-	511.61	-	-	-	-	511.61
As at March 31, 2025	**11.33**	**2,741.11**	**15.60**	-	**89.47**	**3.49**	**2,861.00**
Depreciation							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.96	1,198.19	10.65	-	55.71	1.93	1,267.44
Depreciation for the year (Refer Note: 36)	0.16	477.78	3.09	-	17.35	0.68	499.06
Termination	-	429.87	-	-	-	-	429.87
As at March 31, 2025	**1.12**	**1,246.10**	**13.74**	-	**73.06**	**2.61**	**1,336.63**
Net carrying value as at:							
March 31, 2025	**10.21**	**1,495.01**	**1.86**	-	**16.41**	**0.88**	**1,524.37**

Note:The Group has received Right-of-use assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Right-of-use assets are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to transfer these assets in the name of the Holding Company or its Subsidiary.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,524.37
Total	**1,524.37**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**

Note: Lease liabilities includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.

Curren	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note - 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis

continue to next page

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.81	0.43	562.37	1,370.12
Additions	-	5.29	1.44	5.93	-	12.66
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.75**	**108.24**	**6.36**	**528.56**	**1,348.96**
Amortisation						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.51	0.27	59.39	125.67
Amortisation for the year (Refer Note:36)	-	1.33	21.36	1.96	32.34	56.99
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.78	33.79
As at March 31, 2025	**64.38**	**7.83**	**80.86**	**2.23**	**76.39**	**231.69**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.92**	**27.38**	**4.13**	**452.17**	**1,117.27**

Note: The company has received Intangible assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. (Refer Note:48)

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to approval of the scheme of arrangement between the Company and Aditya Birla Fashion and Retail Limited (Demerged Company) by the NCLT on March 27, 2025 (Refer Note:48).

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is involved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprising of operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21" ("F21"), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores during the period ended September 30, 2024

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of Madura Fashion and Lifestyle CGUs:

The recoverable amount of the CGUs as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Holding Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

Discount Rate

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 Current Investments

₹ in Crore

	As at March 31, 2025
Current Investments (Carried at fair value through profit and loss (FVTPL)	
Quoted investments	
Investment in Mutual Fund Schemes	117.18
Total	**117.18**

Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Note:

(i) The Group has received Mutual Funds relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme.

(ii) Folio of Mutual Funds are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Group) (Refer Note:48). Management will initiate the process to transfer these Mutual Funds in the name of the Group.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	0.48
Total	**117.18**

NOTE: 8NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.73
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.73**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	1.42
Total	**204.67**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Consolidated Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 transferred pursuant to Composite Scheme (Refer Note: 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(94.35)	(32.44)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	34.16	(3.57)
Share-based payment	9.22	9.88	0.66
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	126.70	70.75
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.79)	(24.32)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**152.64**	**22.73**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**152.64**
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note: 38)	(23.81)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note: 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17%

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.88
Prepayments	5.58
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**54.05**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

Refer note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	234.24
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.22
Packing materials	5.07
Total	**2,108.82**

During the year ended March 31, 2025 ₹ 0 is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.15
Unsecured, considered doubtful	7.58
Provision for doubtful deposits	(7.58)
Total	**100.15**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.42
Trade receivables from related parties (Refer Note:45)	147.70
	1,352.12
Less: Loss Allowances	(30.07)
Total	**1,322.05**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,261.66
	1,352.13

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,103.67	110.30	84.18	28.52	-	-	1,326.67
(ii) Undisputed Trade Receivables – considered doubtful		-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii) Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
Disputed	-	-	-	0.43	0.59	7.50	8.52
Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix) Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x) Expected credit loss	-	-	-	-	-	-	(3.32)
Total	**1,103.67**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,322.05**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally ranges between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for current available forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total	-	-	**581.55**

Impact is considered to be immaterial.

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.66
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
Total	**53.06**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.35	(79.30)	-	-	53.06
Current investments	361.75	(244.64)	-	0.07	117.18
Total (a)	**494.10**	**(323.94)**	**-**	**0.07**	**170.24**
Financing activities					
Non-current borrowings	60.03	25.38	-	(7.97)	77.44
Current borrowings (including current maturities of non-current borrowings)	1,345.50	(478.71)	-	7.96	874.75
Lease liabilities	1,904.30	(640.96)	-	716.92	1,980.26
Total (b)	**3,309.83**	**(1,094.29)**	**-**	**716.91**	**2,932.45**
Net debt (b-a)	**2,815.73**	**(770.35)**	**-**	**716.84**	**2,762.21**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.59
Total	**0.59**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	16.00
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.16**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	**23.27**
Advance to suppliers	107.97
Export incentives	3.59
Balances with government authorities (other than income tax)	173.07
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**621.50**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters	As at March 31, 2025	
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of Shares	% of total shares
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Group.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Retained earnings	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Profit/(Loss) for the period	59.60
As at the end of the year	**59.60**

Group share based payment reserve

₹ in Crore

	As at March 31, 2025
As at the beginning of the year	**-**
Transferred pursuant to Composite Scheme (Refer Note: 48)	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	(41.58)
As at the end of the year	**(41.58)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Gains/ (losses) during the year	(3.29)
As at the end of the year	**(3.29)**
Total	**1,276.48**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	**1,220.26**
Reserves and surplus	
Retained earnings	59.60
Group share based payment reserve	41.49
Capital reserve	(41.58)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.29)
Total	**1,276.48**

The description of the nature and purpose of each reserve within other equity is as follows:

1. Share suspense account

Share suspense is created for the net assets transferred pursuant to the Composite scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. Retained earnings

Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. Group share based payment reserve

The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. Capital reserve

Capital reserve represents difference between the carrying amount of net assets transferred to the Company and face value of shares issued, pursuant to a Scheme of arrangement between the Company and Aditya Birla Fashion & Retail Limited, approved by NCLT on March 27, 2025.

5. Remeasurement gains/ (losses) on defined benefit plans

The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore

	Effective interest rate % p.a.	Maturity	As at March 31, 2025
Term loans from banks			
Term Loan from Axis Bank (Secured)[2]	8.44%	September 30, 2028	76.40
Term loan from others			
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**77.44**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2025
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Term Loan from Axis Bank (Secured)[2]	2 8.44%	September 30, 2028	24.57
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	1.43
Total (included in Current Borrowings)			**525.28**
*Net off unamortised charges			
Aggregate secured borrowings			100.97
Aggregate unsecured borrowings			501.75

Note:

(i) The borrowings above have been transferred to the Group pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initiate the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Holding Company or its Subsidiary.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to 1.92 Crore is repayable in monthly instalments till June 30, 2026.
2. An amount of ₹ 145 Crore was sanctioned by Axis Bank. The loan is repayable in 15 structured quarterly instalments beginning after 15 months from the date of first disbursement of the loan. The final instalment is due for repayment in September 2028. The borrowing is secured by way of a charge on the movable assets (including book debts) of Aditya Birla Garments Limited (a Subsidiary of the Holding Company).

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note:41)	10.38
Stock Appreciation Rights (SAR)	12.33
Total	**22.71**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	26.02
Total	**26.02**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note: 22)	525.28
Total	**874.75**

Aggregate secured borrowings	24.57
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

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NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,032.21
Total	**2,121.32**

*Includes payables to related parties (Refer Note:45).

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

₹ in Crore

	As at March 31, 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
Principal amount due to Micro and Small Enterprises*	102.03
Interest due on the above	0.24
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c. The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 13.16 Crore as at March 31, 2025

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	86.28	2.35	-	0.00	0.03	88.66
(ii) Others	972.77	974.61	65.80	4.97	12.52	2,030.67
(iii) Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv) Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	**30.26**
Derivative contracts	4.96
Employee Payable	104.32
Liability towards license rights	1.41
Total	**147.36**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	58.05
Provision for gratuity (Refer Note:41)	0.03
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note:44)	50.02
Total	**141.64**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme	**53.09**
Add: provision made during the year	0.78
Less: provision utilised during the year	(3.03)
Less: provision reversed during the year	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.44
Statutory dues (other than income tax)	36.79
Refund liabilities	499.11
Total	**568.07**

*** Deferred revenue:**

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme (Refer note:48)	**5.55**
Deferred during the year	46.29
Released to the Consolidated Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced by the respective businesses. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

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

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Group's brand name. Revenue is recognised over time based on the terms of contracts with the customer.

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	As at March 31, 2025
Revenue from sale of products	
Sale of products	7,747.66
Revenue from redemption of loyalty points (Refer Note:30)	45.47
Total revenue from sale of products	**7,793.13**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.16
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.96**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,322.05
Contract Liabilities	
Advances received from customers	**25.36**
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.93
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(d) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

₹ in Crore

	Period endedMarch 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.93
	7,829.96
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(e) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.90
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	6.08
Net gain on investment in mutual funds (including on redemption)	0.07
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note:43a)	6.99
Miscellaneous income	19.88
Total	**77.71**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,058.48
	1,244.57
Less: Inventories at the end of the year	234.24
Total	**1,010.33**
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	2,121.28
Total	**2,121.28**
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	
Opening inventories	419.01
Finished goods	1,568.20
Stock-in-trade	20.49
Work-in-progress	
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	787.50
Contribution to provident and other funds (Refer Note: 41)	55.22
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.43
Staff welfare expenses	43.51
Total	**918.42**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	99.24
Interest on deposits	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**382.00**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	149.68
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.06
Amortisation on intangible assets (Refer Note: 5)	56.99
Total	**705.73**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.43
Power and fuel	16.54
Electricity charges	72.09
Repairs and maintenance	
Buildings	0.02
Plant and machinery	0.76
Others	165.33
Insurance	6.73
Rates and taxes	15.12
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	121.31
Royalty expenses	14.10
Legal and professional	98.16
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.38
Travelling and conveyance	86.42
Bank and credit card charges	31.47
Payment to auditors (Refer details below)	1.64
Postage expenses	6.67
Foreign exchange loss (net)	15.96
Information technology	109.34
Outsourcing, housekeeping and security	430.23
Miscellaneous	43.11
Total	**1,683.06**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.31
For tax audit fees	0.16
For other services	0.05
For reimbursement of expenses	0.12
Total	**1.64**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Consolidated Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	**-**
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		23.81
	(B)	**23.81**
Total	**(A+B)**	**23.81**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**83.41**
Tax expense/ (income) at statutory income tax rate of 25.17%	**20.99**
Reconciling items:	
Expenses disallowed for tax purposes	0.48
Others	2.34
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**23.81**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss (A)		59.60
Profit/(Loss) for calculation of EPS	**(A)**	**59.60**
Weighted average number of equity shares for calculation of Basic EPS*	**(B)**	1,220,260,946
Profit / (Loss) per share - basic (₹)	**(A/B)**	**0.49**
Weighted average number of equity shares outstanding		1,220,260,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,220,260,946
Diluted EPS (₹)	**(C)**	**0.49**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Group's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

The additional information required by Ind AS 108 is as below :-

₹ in Crore

(a) Revenue from customer (based on geographical location of customers) :	Period ended March 31, 2025
India	180.06
Outside India	7,649.90
Total	**7,829.96**

₹ in Crore

(b) Location of non - current assets (excluding deferred tax assets):	Year ended March 31, 2025
India	3,743.88
Outside India	-
Total	**3,743.88**

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Group funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Holding Company.

The Group has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Total	**0.21**

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	0.24
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	0.03
Experience adjustments	0.04
Actuarial (gain)/ loss recognised in OCI	0.07
Benefits paid	(0.01)
Closing defined benefit obligation	**0.51**

Funded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/(Deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing fair value of the plan assets	**82.96**

Amounts recognised in the Consolidated Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Unfunded	0.51
Liability	**0.51**
Net liability is classified as follows:	
Current	-
Non-current	0.51
Net liability - Funded	**0.51**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	
Funded plan & Unfunded plan	6.70%
Salary escalation rate	
Funded plan & Unfunded plan	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	(3.66)	3.93
Unfunded plan	(0.03)	0.03
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	3.91	(3.68)
Unfunded plan	0.03	(0.03)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.08
Between 2 and 5 years	35.91
Between 6 and 10 years	38.54
Beyond 10 years	98.46
Total	**183.99**

The Group is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary

continue to next page

contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	39.55
Contribution to Superannuation Fund	0.60
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	7.02
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.86
Total	**55.22**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements	1.49
Expense arising from cash-settled share-based payment arrangements	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below:

	Options	RSUs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**3,88,363**	**164.23**	**84,976**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	-
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	-	-	-	-
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of ABFRL approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019"), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019 are as below:

	Options	RSUs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**14,78,113**	**209.50**	**2,47,625**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below:

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting over 2 to 3 years	Bullet vesting at the end of 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	-
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years.

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	18,13,089	5,78,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end of 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	18,13,089	317.93	5,78,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Unvested at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs issued during the year:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

	Option SARs	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR Options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Group has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

Expenses/ Income recognised in the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.06
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Consolidated Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.22
Total	**2,121.62**

The initial non-cancellable period of the lease agreement pertaining to stores are up to 3 years, beyond which there is an option for the Group to continue the lease, which the Group expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term. Post such period, the Group has the option to exit the lease by giving a notice period and the Group assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.23 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note: 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	As at March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual store, up to 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	**March 31, 2025**	
Increase/ (Decrease) in sales	**Increase by 5%**	**Decrease by 5%**
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	42.37
Total	**42.37**

Note: The Group has obtained licenses from the Office of the Joint Director General of Foreign Trade, Vishakapatnam under the Export Promotion of Capital Goods (EPCG) scheme which allows the Company to import capital goods free of customs duty. The scheme requires the Company to achieve an export obligation equal to 6 times the amount of customs duty saved within a period of next 6 years. The Company has imported equipment during the current year under the Scheme and has availed a cumulative customs duty benefit of ₹ 7.12 Cr. Company has determined that it would meet the export obligation commitment within the period specified.

c) Other commitments

As at March 31, 2025, the Group has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	As at March 31, 2025
Claims against the Group not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	10.67
Textile committee cess	0.75
Others*	2.71
Total	**14.73**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Group's pending litigations comprise of claims against the Group primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for commercial taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025.

Note :- As per the approved Composite Scheme of Arrangement, the Group has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025)*

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Non-Executive Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Non-Executive Director with effect from April 09, 2024

Mr. Anil Malik- Non-Executive Director with effect from April 09, 2024

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Period ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	200.12	-	-
Reimbursement of expenses recovered from	0.29	-	-
Purchase of goods	2.65	-	-
Reimbursement of expenses paid to	121.43	-	-
Production services given	11.21	-	-
Transfer of Post-employment liabilities	0.86	-	-

Balances outstanding

₹ in Crore

	As at March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.12	-	-
Amounts owed by related parties	147.70	-	-

Note:

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes: 15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	1,12,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	3,75,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	2,60,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	1,71,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	1,70,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	4,06,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	2,46,340
Total				**18,10,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	1,13,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**4,60,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.88	276.88	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,322.05	1,322.05	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	53.06	53.06	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.59	0.59	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	280.83	280.83	-	-	-
Total	**117.18**	**-**	**1,939.63**	**2,056.81**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	77.44	77.44	-	-	-
Current borrowings (Refer Note - 26)	-	-	874.75	874.75	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,121.32	2,121.32	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	660.48	660.48	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,258.84**	**4,263.80**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) **Forward contracts:** Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Group

(level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Group, pursuant to the demerger.

b) Investment:

i) **Quoted investments:** Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Group's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

Percentage change (%)	**As at March 31, 2025**	
	0.50% increase	**0.50% decrease**
Increase/ (decrease) in Profit/ loss before tax	(2.08)	2.08
Increase/ (decrease) in Profit/ loss after tax	(1.56)	1.56

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency.

The Group manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Group has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the consolidated Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	USD	4.97	433.08
	EURO	0.01	0.63

The details of unhedged foreign currency exposure as at the Consolidated Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Group's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

Percentage change (%)	**As at March 31, 2025**	
	0.50% increase	**0.50% decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Group has 24 customers that owed the Group more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 92% of the Group's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding.

The below tables summarises the maturity profile of the Group's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	920.80	84.59	-	1,005.39
Lease liabilities	566.20	1,188.20	367.22	2,121.62
Other financial liabilities	197.93	236.76	911.76	1,346.45
Deposits	250.55	274.30	-	524.85
Trade payables	2,121.32	-	-	2,121.32
Total	**4,056.80**	**1,783.85**	**1,278.98**	**7,119.63**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March

continue to next page

31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Group's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Group is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	874.75
Long-term debts	77.44
Total borrowings	**952.19**
Equity (Including Share Suspense)	1,276.53

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

Note 48: Business Combination

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger.

Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024.

Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	**₹ in Crore**
Assets	
Non-Current Assets	
Property, plant and equipment	504.09
Capital work-in-progress	56.75
Goodwill	692.05
Other intangible assets	552.40
Right to use	1,496.18
Financial assets	
(i) Loans	0.41
(ii) Security deposits	180.43
(iII) Other financial assets	198.48
Deferred tax assets (net)	152.64
Non-current tax assets (net)	11.21
Other non-current assets	42.72
Total - Non-current assets	**3,887.36**
Current assets	
Inventories	2,201.37
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.50
(iii) Security deposits	70.66
(iv) Trade receivables	947.94
(v) Cash and cash equivalent	132.35
(vi) Bank balance other than above	0.16
(vii) Other financial assets	79.17
Other current assets	665.60
Total - Current assets	**4,466.50**
TOTAL - ASSETS - A	**8,353.86**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	60.03
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	508.37
Provisions	7.66
Other non-current liabilities	23.27
Total - Non-current liabilities	**2,268.52**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,345.50
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	65.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,891.31
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	119.72
Provisions	129.04
Other current liabilities	558.89
Total - Current liabilities	**4,866.66**
Total - Liabilities - B	**7,135.18**
Net Assets - C (A - B)	**1,218.68**

Against the net assets of ₹ 1,218.68 Crore, the Company has created share suspense and share based payment reserve of ₹1,220.26 crore and ₹40.00 Crore respectively and the balance of ₹(41.58) Crore has been recognised as Capital reserve.

NOTE - 49 GROUP INFORMATION

The consolidated financial statements of the Group include subsidiary listed in the table below:

Name of the entity	Relationship with Company	Country of incorporation	Principal Activities	Proportion of ownership interest and voting power held by Parent
			As at March 31, 2025	
Aditya Birla Garments Limited	Subsidiary	India	Manufacturing and distribution	100.00%

NOTE - 50 ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013

Year ended March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Parent								
Aditya Birla Lifestyle Brands Limited	101.36%	1,293.90	115.77%	69.00	97.74%	(3.22)	116.82%	65.78
Subsidiaries								
Aditya Birla Garments Limited	1.38%	17.56	-15.89%	(9.47)	2.26%	(0.07)	-16.94%	(9.54)
Adjustments arising out of consolidation	-2.74%	(34.93)	0.12%	0.07	0.00%	-	0.12%	0.07
Total	**100.00%**	**1,276.53**	**100.00%**	**59.60**	**100.00%**	**(3.29)**	**100.00%**	**56.31**

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Group measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Consolidated 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 Group.

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 Group 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, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Consolidated Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated 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 Consolidated Statement of Profit and Loss are also reclassified in OCI or the Consolidated Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) Borrowing costs

Aditya Birla Lifestyle Brands Limited

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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 Consolidated Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

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

be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Group had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss are recognised outside the Consolidated 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Group, 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 Consolidated Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Consolidated 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 Consolidated Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Consolidated Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Impairment of non-financial assets

At the end of each reporting period, the Group 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 Consolidated 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 are recognised in the Consolidated 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 Consolidated 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.

(j) 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 and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Consolidated Statement of Profit and Loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Consolidated Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Consolidated Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iv) Equity investments

Equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Consolidated Balance Sheet.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be, designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Consolidated Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Consolidated Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Consolidated Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Consolidated Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Consolidated Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Consolidated Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Consolidated Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group de-recognises financial liabilities only when the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated Statement of Profit and Loss.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash

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5TH HELICOPTER CRASHES IN CHAR DHAM REGION IN SIX WEEKS, CLAIMS 7 LIVES

Centre grounds chopper ops in U'khand

DEEPAK PATEL
New Delhi, 15 June

A deadly helicopter crash in Uttarakhand on Sunday has prompted the Ministry of Civil Aviation (MoCA) to suspend all chopper operations in the state till Monday.

The chopper accident comes just three days after an Air India plane tragedy in Ahmedabad claimed over 265 lives.

Sunday's crash was the fifth helicopter-related mishap in the Char Dham region in six weeks.

In response, the MoCA has launched a comprehensive review of all mountain-flying operations, ordering a fresh audit of pilots, operators, and safety procedures in Uttarakhand.

The latest crash involved Aryan Aviation's Bell 407 helicopter (registration VT-BKA), which was flying from Kedarnath to Guptkashi early Sunday morning.

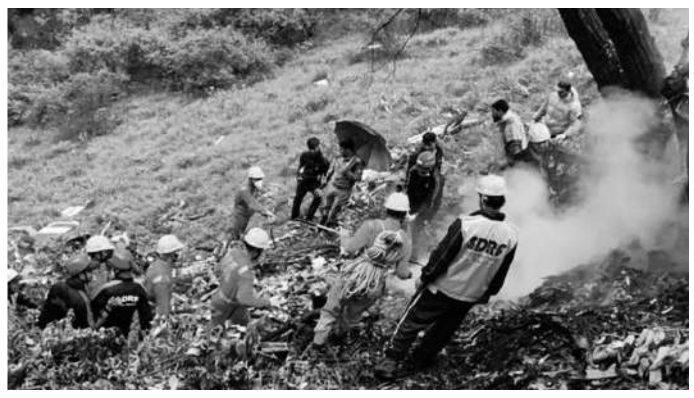
The chopper had taken off from Guptkashi at 5:10 am and landed at Kedarnath at 5:18 am. It took off again at 5:19 am for the return leg but crashed near Gaurikund between 5:30 and 5:45 am.

All seven people on board — five adult passengers, an infant, and the pilot — died in the accident.

According to MoCA, preliminary findings suggest that the helicopter was flying in poor visibility and thick cloud cover when it crashed into the terrain. It said that this accident appeared to be a case of Controlled Flight into Terrain (CFIT). This is a situation where an airworthy chopper, under full control of the pilot, inadvertently flies into a mountain, hill, or obstacle due to low visibility or disorientation.

Exact cause of Sunday's accident will be confirmed by the Aircraft Accident Investigation Bureau (AAIB), which has initiated a formal probe.

On Sunday, rescue operations at the chopper crash site were launched by personnel from the National and State Disaster Response Forces.



NDRF and SDRF personnel at the spot after a helicopter crashed near Kedarnath on Sunday PHOTO: PTI

A high-level meeting was convened later in the morning by Uttarakhand Chief Minister Pushkar Singh Dhami and attended by senior officials from the Centre and the state. They include officials from the Directorate General of Civil Aviation (DGCA) and MoCA secretary.

Following this meeting, Aryan Aviation's operations for the Char Dham Yatra were suspended.

The licences of two other helicopter pilots, flying for TransBharat Aviation, were also suspended for six months after they were found to have flown in similarly poor weather conditions on Sunday.

As an immediate safety measure, all helicopter services for the pilgrimage have been halted on June 15 and 16, the MoCA stated.

The Uttarakhand Civil Aviation Development Authority (UCADA) has been tasked with conducting a detailed review with all operators and pilots before services are resumed.

UCADA will also establish a dedicated command-and-control room to monitor real-time helicopter operations and flag any deviations from safety protocols, it said.

The ministry said that no operator should undertake flights in violation of weather or procedural guidelines. It warned that discipline in mountain flying operations must be maintained at all costs.

Also, DGCA said it had already scaled down helicopter frequencies to the Char Dham circuit and had been carrying out enhanced surveillance since last month.

The latest crash is part of a troubling pattern of incidents in the Char Dham region.

Working with other Tata group firms to assist crash victims' kin: A-I

DEEPAK PATEL
New Delhi, 15 June

The solemn process of handing over the mortal remains of the 241 passengers and crew members killed in the Air India crash is currently underway, the airline said on Sunday. Over 400 family members of the deceased have gathered in Ahmedabad, where the airline has stationed teams to assist them.

"Every affected family in Ahmedabad has been assigned at least one caregiver by Air India," the airline said in a statement posted on X on Sunday evening, adding that it was coordinating with Tata Group companies and government authorities to support the bereaved and facilitate repatriation where required.

The airline also acknowledged the contribution of government agencies and hospital staff in Ahmedabad. "We extend our gratitude to the Central and state governments for their unwavering support... and our heartfelt appreciation to the associates of Civil Hospital and Rajasthan Hospital in Ahmedabad for their tireless efforts," it noted.

On Saturday, Air India announced an interim financial assistance of ₹25 lakh for each family of the deceased and the lone survivor. This is in addition to ₹1 crore support announced earlier by Tata Sons.

Meanwhile, the airline is conducting one-time safety checks on its entire Boeing 787 fleet as mandated by the Directorate General of Civil Aviation (DGCA).

DNA tests identify 47 victims

Three days after the plane crash, authorities have so far identified 47 victims through DNA testing, including former Gujarat CM Vijay Rupani, and bodies of 24 have been handed over to families.

THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH SEBI CIRCULARS ONLY AND DOES NOT CONSTITUE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT

ADITYA BIRLA
LIFESTYLE BRANDS

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Registered Office: Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401,403, 501, 502, L.B.S Road, Kurla, Mumbai 400070, Maharashtra, India

Corporate Office: Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037

Tel: +91 86529 05000 | **Email Id** – secretarial.ablbl@abfrl.adityabirla.com | **Website –** www.ablbl.in

Contact Person: Mr. Rajeev Agrawal, Company Secretary & Compliance Officer

PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF SHAREHOLDERS OF ADITYA BIRLA LIFESTYLE BRANDS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH PARA 5 OF PART II(A) OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023, AS AMENDED FROM TIME TO TIME, READ WITH RULE 19(7) OF THE SECURITIES CONTRACTS (REGULATIONS) RULES, 1957, AS AMENDED FROM TIME TO TIME ('SCRR') PURSUANT TO GRANT OF RELAXATION BY SEBI VIDE ITS LETTER DATED JUNE 13, 2025 FROM THE APPLICABILITY OF RULE 19(2)(B) OF SCRR, PURSUANT TO SCHEME OF ARRANGEMENT AMONSGT ADITYA BIRLA FASHION AND RETAIL LIMITED AND ADITYA BIRLA LIFESTYLE BRANDS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

THIS PUBLIC ANNOUNCEMENT DOES NOT RELATE TO ANY ISSUANCE / SALE OF EQUITY SHARES. NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CATEGORY OF INVESTORS PURSUANT TO THIS PUBLIC ANNOUNCEMENT, NOR IS IT SOLICITING AN OFFER TO BUY SECURITIES IN ANY JURISDICTION.

ABOUT THE SCHEME

The National Company Law Tribunal, Mumbai Bench, vide its order pronounced on March 27, 2025 has sanctioned the Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of, the Companies Act, 2013 amongst Aditya Birla Fashion and Retail Limited ("ABFRL"/ "Demerged Company") and Aditya Birla Lifestyle Brands Limited ("ABLBL"/"Resulting Company"/"Company") and their respective shareholders and creditors ("Scheme"). The Scheme became effective from May 1, 2025 with the appointed date being April 1, 2024. In accordance with the Scheme, Demerged Undertaking of ABFRL has been demerged into, transferred to and vested with the Company as a going concern basis. In accordance with the said Scheme, the Company has allotted 1 equity share of ₹ 10/- each for every 1 equity share of ₹ 10/- each held in the Demerged Company as on the record date i.e. May 22, 2025. The Equity Shares of our Company shall be listed and admitted to trading on BSE and NSE. The Company has received in-principle approval for listing of shares from BSE and NSE on June 5, 2025.

Capitalised terms used but not defined herein have the meaning assigned to them in the Information Memorandum.

1. NAME AND ADDRESSES OF THE REGISTERED OFFICE AND CORPORATE OFFICE OF THE COMPANY

The name of the Company is Aditya Birla Lifestyle Brands Limited. The Registered Office of the Company is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai, Maharashtra 400070. The Corporate Office of the Company is situated at Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037.

2. DETAILS OF CHANGE IN NAME AND/OR OBJECT CLAUSE

There has been no change in the name and object clause of the Company since incorporation.

3. CAPITAL STRUCTURE – PRE AND POST SCHEME OF ARRANGEMENT

Pre-Scheme		Post-Scheme	
Particulars	**Aggregate Value (in ₹)**	**Particulars**	**Aggregate Value (in ₹)**
Authorised Share Capital		**Authorised Share Capital**	
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	2,00,00,00,000 Equity Shares (of face value ₹ 10 each)	20,00,00,00,000
		5,55,000 Preference Shares (of face value ₹ 10 each)	55,50,000
Total	**5,00,000**	**Total**	**20,00,55,50,000**
Issued, Subscribed and Paid up Capital		Issued Share Capital	
Issued, Subscribed and Paid-up Capital		1,22,05,00,277 Equity Shares (of face value ₹ 10 each)	12,20,50,02,770
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
		Subscribed and Paid up Capital	
		1,22,02,94,773 Equity Shares (of face value ₹ 10 each)	12,20,29,47,730
		5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
Total	**5,00,000**	**Total**	**12,20,84,97,730**

4. SHAREHOLDING PATTERN GIVING DETAILS OF THE SHAREHOLDING OF PROMOTER, PROMOTER GROUPS AND GROUP COMPANIES:

a. Pre-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights – Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares – Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	7*	50,000	-	-	50,000	100.00	50,000	-	50,000	100	-	100	-	-	-	-	50,000	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**7***	**50,000**	**-**	**-**	**50,000**	**100**	**50**	**-**	**50,000**	**100**	**-**	**100**	**-**	**-**	**-**	**-**	**50,000**	**-**	**-**	**-**

*in addition to Aditya Birla Fahsion and Retail Limited, there six nominees holding one Equity Share each on behalf of Aditya Birla Fahsion and Retail Limited

Note: In order to comply with the requirement of minimum 7 members in the Company under the Companies Act 2013, 1 equity share is held by 6 individual as nominee of Aditya Birla Fashion and Retail Limited

b. Post-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights – Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares – Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	14	56,83,51,129	-	-	56,83,51,129	46.57	56,83,51,129	-	56,83,51,129	46.74	-	46.74	4,48,22,856	7.89	-	-	56,83,51,129	-	-	-
(B)	Public	2,98,726	64,76,32,655	-	-	64,76,32,655	53.08	64,76,32,655	-	64,76,32,655	53.26	-	53.07	3,96,09,127	6.12	NA	NA	64,76,32,655	6,58,00,866	17,85,80,724	-
(C)	Non Promoter - Non Public	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(C2)	Shares Held By Employee Trust	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
	Total	**2,98,741**	**1,22,02,94,773**	**-**	**-**	**1,22,02,94,773**	**100**	**1,21,59,83,784**	**-**	**1,21,59,83,784**	**100**	**-**	**100**	**8,44,31,983**	**6.92**	**-**	**-**	**1,22,02,94,773**	**6,58,00,866**	**17,85,80,724**	**-**

Note: 1) Voting Rights under Category "Public" includes 27,68,679 equity shares which remain frozen in terms of various applicable laws.

5. NAMES OF TEN LARGEST SHAREHOLDERS OF THE COMPANY – NUMBER AND PERCENTAGE OF SHARES HELD BY EACH OF THEM, THEIR INTEREST, IF ANY

Sr. No.	Name of Shareholders	Number of Equity Shares	% of share held
1	Birla Group Holdings Private Limited	23,66,19,965	19.390
2	IGH Holdings Private Limited	13,64,72,680	11.184
3	Grasim Industries Ltd	9,75,93,931	7.998
4	Flipkart Investments Private Limited	7,31,70,731	5.996
5	Caladium Investment Pte. Ltd.	6,58,00,866	5.392
6	Quant Mutual Fund - Quant Mid Cap Fund	5,61,90,433	4.605
7	Hindalco Industries Limited	5,02,39,794	4.117
8	Pilani Investment and Industries Corporation Limited	4,48,22,856	3.673
9	SBI Life Insurance Co. Ltd	2,71,53,233	2.225
10	Fidelity Securities Fund: Fidelity Blue Chip Growth Fund	2,37,20,498	1.944

Note: None of the above-mentioned shareholders have interest except promoters to the extent of their shareholding.

6. NAME AND DETAILS OF PROMOTER OF OUR COMPANY – EDUCATIONAL QUALIFICATIONS, EXPERIENCE, ADDRESS

Sr. No.	Name	Address	Educational Qualification and Experience
1.	Birla Group Holdings Private Limited	Industry House 1st Floor 159 Churchgate Reclamation, Mumbai, Maharashtra, India, 400020	NA

7. NAME AND DETAILS OF BOARD OF DIRECTORS (EXPERIENCE INCLUDING CURRENT/PAST POSITION HELD IN OTHER FIRMS)

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Ms. Ananyashree Birla DIN: 06625036 Date of Birth: July 17, 1994 Designation: Non- Executive Director Occupation: Professional Experience: Ms. Ananyashree Birla is a Non-Executive Director on the Board of our Company. She is a graduate from the University of Oxford with a bachelor's degree. She is a distinguished businesswoman and a platinum selling artist with significant contributions across diverse business sectors. She's the founder at Svatantra Microfin, the fastest growing, highly rated, second-largest microfinance organization in the country. As founder at Birla Cosmetics Private Limited, she oversees the company's foray into colour cosmetics as part of its long-term vision to build a dynamic beauty portfolio. Ms. Birla serves as the global ambassador for NAMI, advocating the need for mental wellness. She is also the founder of the Ananya Birla Foundation that does pioneering research in mental health and social impact.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Svatantra Micro Housing Finance Corporation Limited 5. Svatantra Microfin Private Limited 6. Svatantra Online Services Private Limited 7. Antimatter Media Private Limited 8. Talk and Cheese Private Limited 9. Aditya Birla New Age Hospitality Private Limited 10. Ananya Birla Foundation 11. Chaitanya India Fin Credit Private Limited 12. Aditya Birla Management Corporation Private Limited. 13. Birla Cosmetics Private Limited 14. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms 1. Siddhipriya Enterprises LLP
Mr. Aryaman Vikram Birla DIN: 08456879 Date of Birth: July 9, 1997 Designation: Non- Executive Director Occupation: Business Experience: Mr. Aryaman Vikram Birla is a Non-Executive Director on the Board of our Company. He holds an MSc. Degree in Global Finance from Bayes Business School, London. He comes with diverse experiences including entrepreneurship, VC investing, and professional sport. He is closely involved with several businesses of the Aditya Birla Group. Aryaman has founded and is spearheading, Aditya Birla New Age Hospitality, the Group's growing hospitality business as well as the venture capital fund, Aditya Birla Ventures, that invests in high-growth start-ups.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Aditya Birla New Age Hospitality Private Limited. 5. Aditya Birla New Age Restaurants and Cafe Private Limited. 6. Aditya Birla Digital Fashion Ventures Limited. 7. Aditya Birla Management Corporation Private Limited. 8. KA Hospitality Private Limited 9. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms Nil
Mr. Pankaj Sood DIN: 05185378 Date of Birth: July 11, 1976 Designation: Non- Executive Director Occupation: Service Experience: Mr. Pankaj Sood is a Non-Executive Director on the Board of our Company. He is a post-graduate from Indian Institute of Management Calcutta (1999). He has a Bachelor's degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996). Mr. Sood heads the Private Equity (Direct Investments) business of GIC Singapore in India and Africa. He has over 26 years of experience in private equity and M&A transactions in India. Prior to GIC, he was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets	Companies 1. Mphasis Limited 2. Aditya Birla Fashion and Retail Limited 3. Bandhan Financial Holdings Limited 4. Bandhan Financial Services Limited 5. Ather Energy Private Limited 6. Singapore InvestCorp (India) Private Limited 7. SPORE Investment Management (India) Private Limited Partnership in firms Nil
Mr. Ashish Dikshit DIN: 01842066 Date of Birth: July 15, 1969 Designation: Managing Director Occupation: Service Experience: Mr. Ashish Dikshit is the Managing Director of our Company. He is also the managing director of Aditya Birla Fashion and Retail Limited. He holds a bachelor's degree in electrical engineering from Indian Institute of Technology, Madras and a master's degree in business administration from Indian Institute of Management, Bangalore. Mr. Dikshit has over 30 years of experience in diverse roles across industries.	Companies 1. Jaypore E-Commerce Private Limited. 2. Goodview Fashion Private Limited 3. Indivinity Clothing Retail Private Limited 4. Finesse International Design Private Limited 5. Retailers Association of India 6. Aditya Birla Digital Fashion Ventures Limited 7. House of Masaba Lifestyle Private Limited 8. Novel Jewels Limited 9. Footwear Design and Development Institute 10. CLI Footwear and Accessories Private Limited. 11. Aditya Birla Fashion and Retail Limited.

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
and functions. He started his career at Asian Paints before moving to Madura Fashion and Lifestyle (MFL) Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He also served as the Principal Executive Assistant to the Chairman of Aditya Birla Group. He was appointed as President of MFL Division in 2007 and went on to become its CEO in 2012. He took over as the managing director of Aditya Birla Fashion and Retail Limited in February 2018	12. Aditya Birla Management Corporation Private Limited Partnership in firms 1. Sabyasachi Calcutta LLP
Mr. Vishak Kumar DIN: 09078653 Date of Birth: June 23, 1972 Designation: Deputy Managing Director and Chief Executive Officer Occupation: Service Experience: Mr. Vishak Kumar is the Deputy Managing Director and Chief Executive Officer on the Board of our Company. He holds a bachelor's degree in computer engineering from BIT Ranchi and a master's degree in business administration from the Indian Institute of Management, Bangalore. He has 30 years of experience. He joined the Madura business in 1995 as a Management Trainee. During his 30 year long stint, he has worked across functions and occupied various roles in sales, marketing and retail. Prior to his stint as CEO of Madura, he was the CEO of Aditya Birla Retail Limited, where he was instrumental in transforming the "More" Supermarket and Hypermarket business.	Companies Nil Partnership in firms Nil
Mr. Arun Adhikari Kumar DIN: 00591057 Date of Birth: January 20, 1954 Designation: Independent Director Occupation: Retired Experience: Mr. Arun Kumar Adhikari is an Independent Director on the Board of our Company. He holds a bachelor's degree in chemical engineering from the Indian Institute of Technology, Kanpur, and a master's degree in business administration from Indian Institute of Management, Calcutta. Mr. Adhikari joined Hindustan Unilever Limited as Management Trainee in 1977 and was with Unilever through his full career. He retired from Unilever in January 2014 as Senior Vice-President for Unilever Laundry Category across Asia and Africa (Singapore). He has also worked with McKinsey & Company in India as Senior Advisor from May 2014 for 4 years	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Capital Limited 3. Hindalco Industries Limited 4. Voltas Limited 5. Aditya Birla Sun Life Insurance Company Limited 6. Voltbek Home Appliances Private Limited Partnership in firms Nil
Mr. Sunirmal Talukdar DIN: 00920608 Date of Birth: December 6, 1951 Designation: Independent Director Occupation: Retired Experience: Mr. Sunirmal Talukdar is an Independent Director on the Board of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He holds a bachelor's degree in science from St. Xavier's College, Calcutta University. Mr. Talukdar has over 3 decades of rich & comprehensive experience backed by benchmark competencies in the areas of Strategic & Tactical Planning, Mergers & Acquisitions, Risk Management, Public Reporting, Regulatory Compliance and Corporate Governance etc. He retired as Group Executive President and Chief Financial Officer of Hindalco Industries Limited in 2012. Afterwards he worked with Haldia Petrochemicals Limited as Head-F&A, EVP, and CFO from November 2016 to November 2018.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Heubach Colorants India Limited 3. Sasken Technologies Limited 4. Aditya Birla Real Estate Limited 5. Vodafone Idea Limited 6. Innvol Medical India Limited 7. Indivinity Clothing Retail Private Limited 8. Assam Carbon Products Limited Partnership in firms Nil
Mr. Nish Bhutani DIN: 03035271 Date of Birth: March 7, 1967 Designation: Independent Director Occupation: Business Experience: Mr. Nish Bhutani is an Independent Director on the Board of our Company. He holds a bachelor's and master's of science degree in engineering from Stanford University and a master's degree in business administration from Harvard University. He has over 33 years of experience with digital and technology companies in Silicon Valley, the UK, and India. He is a founder & CEO of Indiginus Learning Pvt. Ltd. and he also a founder of Indiginus Inc.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Indiginus Learning Private Limited 3. Indiginus Inc. Indiginus Inc. Partnership in firms Nil
Ms. Preeti Vyas DIN: 02352395 Date of Birth: November 26, 1956 Designation: Independent Director Occupation: Business Experience: Ms. Preeti Vyas is an Independent Director on the Board of our Company. She is a Graduate from of National Institute of Design. Ms. Vyas is an independent entrepreneur and has steered Vyas Giannetti Creative to a top position in India as an independent Design and Communication Consultancy. She has been counted among 50 most influential women in India by Impact and Verve magazines, ranked as one of the top creative minds by the Economic Times and named one of the 25 most Powerful Women in Indian business by Business Today. She is also a member of Indian Design Council	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Real Estate Limited. 3. Birla Estates Private Limited 4. Novel Jewels Limited 5. Goodview Fashion Private Limited 6. Indivinity Clothing Retail Private Limited Partnership in firms 1. 3Sixty 2. Vyas Giannetti Creative LLP

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Mr. Yogesh Chaudhary DIN: 01040036 Date of Birth: October 9, 1986 Designation: Independent Director Occupation: Carpet Business Experience: Mr. Yogesh Chaudhary is an Independent Director on the Board of our Company. He was a Management student from Boston College, USA. Mr. Chaudhary has immense entrepreneurial abilities and deep knowledge in the manufacturing business, leading Jaipur Rugs increase its global presence to 65 plus nations, from just two a decade ago. He is also a vital part of many prestigious associations such as Rajasthan Angel Investors network, Intellecap Impact Investment Network and Entrepreneurs Organization, to name a few.	Companies 1. Aditya Birla Fashion and Retail Limited. 2. Infurnia Holdings Limited 3. Goodview Fashion Private Limited 4. Tech Designworks Private Limited 5. Shyam Ahuja Private Limited 6. Marie-Anne Jaipur Private Limited 7. Jaipur Rugs Company Private Limited Partnership in firms 1. Balwana Ventures LLP 2. Asterlane Home LLP 3. Warmup Ventures LLP 4. Snspartans Management LLP 5. Marici Capital Advisors LLP 6. Warmup Venture Partners II LLP 7. Aspura Gallery LLP
Mr. Venkatesh Satyaraj Mysore DIN: 01401447 Date of Birth: December 30, 1958 Designation: Independent Director Occupation: Professional Experience: Mr. Venkatesh Satyaraj Mysore is an Independent Director on the Board of our Company. He holds a bachelor's degree in marketing and finance and a master's degree in business administration from the University of Madras. Mr. Mysore holds extensive experience in sports management, entertainment, and financial services. He is the CEO of The Knight Riders Group & Red Chillies Entertainment since 2010, leading the global expansion of the Knight Riders franchise in T20 cricket across multiple leagues. He played a key role in establishing MetLife India as its first CEO/ MD and securing its license through collaboration with IRDA.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Meer Foundation 3. TransAfrica Assurance Co Ltd – Kampala 4. TKR (St. Lucia) Ltd 5. TKR Trinidad Ltd 6. Knight Riders Sports USA Inc. 7. Knight Riders Sports Middle East–Sole Proprietorship LLC Partnership in firms 1. VVPAM Mysore LLP

8. BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Business Overview:

The Company was incorporated on April 9, 2024 as a wholly owned subsidiary of ABFRL. Pursuant to the effectiveness of Scheme on May 1, 2025, the MFL Business operated by ABFRL stands demerged, transferred and vested in our Company with the appointed date of April 1, 2024.

Aditya Birla Lifestyle Brands Limited (ABLBL) comprises of lifestyle brands who primarily play in the western wear segment with brands such as Louis Philippe, Van Heusen, Allen Solly and Peter England. It also includes youth wear brand such as American Eagle, sportswear brand Reebok and the innerwear business under Van Heusen.

Business Strategy:

Our strategic approach is aimed towards building a leadership position in large total addressable markets and high growth segments through distinct brands.

Lifestyle Brands are actively expanding into diverse categories and new consumer segments. Beyond men's wear, these brands are making strategic in-roads into casual wear, non-apparel, kids wear, women's wear, wedding wear and accessories, which are important for building product portfolio and driving growth through acquisition of new customers.

We have also identified key growth areas including innerwear, sportswear and youth wear, where we have already established a meaningful presence via brands Van Heusen, Reebok and American Eagle.

By expanding into new and white spaces within our existing markets, we are well-positioned for robust growth in the coming years. Our focus on digital transformation empowers us to remain agile and responsive in an ever-evolving retail landscape. Coupled with a holistic approach to innovation and product development, ABLBL is poised for exponential growth across all brands, further strengthening our presence in both mature and emerging markets.

9. REASONS FOR THE SCHEME OF ARRANGEMENT

The rationale of the Demerger envisaged in the Scheme is expected, inter-alia, to result in following benefits:

1. ABFRL runs a diverse portfolio of fashion brands and retail formats with key business segments comprising of Madura Fashion and Lifestyle and Pantaloons, Ethnic portfolio along with other new growth platforms;
2. The MFL Business has built a leadership position over a long period of time and has a proven track record of delivering consistent revenue growth, profitability, strong free cash flows and high return on capital. The Remaining Business of the Demerged Company comprises portfolio of multiple businesses; and
3. The Scheme is being proposed to separate MFL Business from the Remaining Business of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Demerged Company, Resulting Company and, their respective shareholders, employees, creditors and other stakeholders for the below reasons:
   (a) The distinctive profile and established business model of the MFL Business makes it suitable to be housed in a separately listed entity, allowing sharper strategic focus in pursuit of its independent value creation trajectory;
   (b) Result in better and efficient control and management for the segregated businesses, operational rationalization, organization efficiency and optimum utilization of various resources;
   (c) The Scheme would unlock value for the overall-business portfolio through price discovery of the individual entities for existing shareholders;
   (d) The Demerged Company will house multiple growth platforms across value and masstige retail, branded ethnic business, super premium and luxury retail formats and portfolio of digital brands and will chart its own growth journey;
   (e) The Scheme could lead to the right operating architecture for both companies with sharper focus on their individual business strategies and clear capital allocation, in alignment with their respective value creation journeys; and
   (f) Separately listed companies to attract specific set of investors for their business profile, and consequently, encourage stronger capital market outcomes.

10. RESTATED AUDITED FINANCIALS FOR THE PREVIOUS THREE FINANCIAL YEARS PRIOR TO THE DATE OF LISTING

The Company was incorporated on April 9, 2024. Since there is no prior year/ period for the purpose of restating the financial statements, the standalone and consolidated financial statements for financial year ended March 31, 2025 is reproduced here. There is no audit qualification made by the Auditors of the Company in the Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2025.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Standalone Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	508.28
(b) Capital work-in-progress	3b	11.69
(c) Right-of-use assets	4a	1,523.53
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Investment in a subsidiary	6a	35.00
(ii) Loans	7	0.48
(iii) Security deposits	8	176.51
(iv) Other financial assets	9	203.74
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.68
(i) Other non-current assets	11	53.75
Total - Non-current assets		**3,774.84**
II Current assets		
(a) Inventories	12	2,107.52
(b) Financial assets		
(i) Current investments	6b	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.13
(iv) Trade receivables	15	1,325.48
(v) Cash and cash equivalents	16	52.99
(vi) Bank balance other than Cash and cash equivalents	17	0.07
(vii) Other financial assets	18	76.06
(c) Other current assets	19	616.65
Total - Current assets		**4,401.82**
TOTAL - ASSETS		**8,176.66**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share suspense	21	1,220.26
(c) Other equity	21	73.59
Total - Equity		**1,293.90**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	1.04
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.20
(c) Other non-current liabilities	25	19.53
Total - Non-current liabilities		**2,352.03**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	850.18
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,029.42
(iv) Deposits		250.55
(v) Other financial liabilities	28	140.17
(b) Provisions	29	140.83
(c) Other current liabilities	30	567.35
Total - Current liabilities		**4,530.73**
TOTAL - EQUITY AND LIABILITIES		**8,176.66**
Basis of preparation	2	

Standalone Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

		Notes	Period ended March 31, 2025
I	Revenue from operations	31	7,829.73
II	Other income	32	77.27
III	**Total income (I + II)**		**7,907.00**
IV	**Expenses**		
	(a) Cost of materials consumed	33a	1,008.91
	(b) Purchase of stock-in-trade	33b	2,146.68
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
	(d) Employee benefits expense	34	899.91
	(e) Finance costs	35	376.95
	(f) Depreciation and amortisation expense	36	701.65
	(g) Rent expense	44a	764.70
	(h) Other expenses	37	1,678.27
	Total expenses		**7,717.48**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**189.52**
VI	Exceptional items	37a	(98.33)
VII	**Profit/(Loss) before Tax (V + VI)**		**91.19**
VIII	**Income tax expense**		
	(a) Current tax	38	-
	(b) Current tax relating to earlier years	38	-
	(c) Deferred tax	38	22.19
			22.19
IX	**Profit/(Loss) for the year (VII - VIII)**		**69.00**
X	**Other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.30)
	Income tax effect on above		1.08
	Total other comprehensive income for the year		**(3.22)**
XI	**Total comprehensive income for the year (IX + X)**		**65.78**
XII	**Earnings per equity share [Nominal value of share ₹ 10]**	39	
	Basic (₹)		0.57
	Diluted (₹)		0.57
	Basis of preparation	2	

Standalone Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

₹ in Crore

	Reserves and surplus			Other comprehensive income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note - 21)	Group share based payment reserve (Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	69.00	-	-	-	69.00	-
Other comprehensive income for the year	-	-	-	(3.22)	(3.22)	-
Pursuant to Composite Scheme	-	40.00	(33.68)	-	6.32	1,220.26
Capital contribution on Company share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**69.00**	**41.49**	**(33.68)**	**(3.22)**	**73.59**	**1,220.26**

Standalone Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		**91.19**
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	784.47
Finance costs	35	376.95
Gain on termination of right-of-use assets (Including exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/ discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(5.99)
Net Unrealised exchange (gain)/ loss		14.17
Interest income from financial assets at amortised cost	32	(42.10)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,232.05**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(385.26)
(Increase)/ decrease in inventories		93.76
(Increase)/ decrease in other assets		58.38
Increase/ (decrease) in trade payables		166.69
Increase/ (decrease) in provisions		27.42
Increase/ (decrease) in other liabilities		(56.22)
Cash generated from/ (used) in operations		**1,136.81**
Income taxes paid (net of refund)		(3.59)
Net cash flows from/ (used) in operating activities		**1,133.22**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(204.31)
(Purchase)/ proceeds from sale or redemption of current investments (net)		244.57
Proceeds from sale of property, plant and equipment and intangible assets		2.95
Interest received		6.00
Net cash flows from/ (used) in investing activities		**49.21**
Cash flows from financing activities		
Proceeds from issuance of equity share capital		0.05
Proceeds/ (repayments) of current borrowings (net)		(479.32)
Repayment of non-current borrowings		(11.23)
Repayment of lease liabilities		(453.25)
Interest payment on lease liabilities		(187.74)
Interest paid	35	(130.16)
Net cash flows from/ (used) in financing activities		**(1,261.65)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.22)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite Scheme		132.21
Cash and cash equivalents at the end of the year	16	**52.99**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.59
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**52.99**

Notes to the Standalone Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company is engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The standalone 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 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Standalone 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

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

The key assumptions concerning the future and other key sources of estimation, 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's assumptions and estimates are based on parameters available at the time of preparation of financial statements. 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.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Company uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Standalone Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Company provides for discount and sales return based on season wise, brand wise and channel wise trend. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Company:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of
Leasehold improvements other than stores	useful life, whichever is shorter

Refer note 51 for other accounting policies relevant to property, plant and equipment

₹ in Crore

	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	44.00	297.38	201.56	55.50	264.17	27.73	26.87	923.13
Additions	-	0.18	28.96	51.62	12.17	81.64	10.09	18.28	202.94
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**5.92**	**44.18**	**321.00**	**233.32**	**57.11**	**319.30**	**34.94**	**40.79**	**1,056.56**
Depreciation									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.30	134.23	105.80	23.57	175.20	15.30	4.60	469.00
Depreciation for the year (Refer Note: 36)	-	1.47	21.52	42.32	12.23	53.11	7.12	7.87	145.64
Disposals	-	-	4.89	19.84	10.52	26.24	2.88	1.99	66.36
As at March 31, 2025	-	**11.77**	**150.86**	**128.28**	**25.28**	**202.07**	**19.54**	**10.48**	**548.28**
Net carrying value as at:									
March 31, 2025	**5.92**	**32.41**	**170.14**	**105.04**	**31.83**	**117.23**	**15.40**	**30.31**	**508.28**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	508.28
Total	**508.28**

Note:- The Company has received assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Property, plant and equipment are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note 48). Management will initiate the process to transfer these assets in the name of the Company.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	11.69
Total	**11.69**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	11.69	-	-	-	11.69
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Company is the lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Company is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	10.42	2,648.24	15.60	84.96	3.49	2,762.71
Additions	-	604.48	-	4.51	-	608.99
Termination	-	511.61	-	-	-	511.61
As at March 31, 2025	**10.42**	**2,741.11**	**15.60**	**89.47**	**3.49**	**2,860.09**
Depreciation						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.91	1,198.19	10.65	55.71	1.93	1,267.39
Depreciation for the year (Refer Note: 36)	0.13	477.79	3.09	17.35	0.68	499.04
Termination	-	429.87	-	-	-	429.87
As at March 31, 2025	**1.04**	**1,246.11**	**13.74**	**73.06**	**2.61**	**1,336.56**
Net carrying value as at:						
March 31, 2025	**9.38**	**1,495.00**	**1.86**	**16.41**	**0.88**	**1,523.53**

Note :- The Company has received Right-of use assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Right-of use assets are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note: 48). Management will initiate the process to transfer these assets in the name of the Company.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,523.53
Total	**1,523.53**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**
Note :- Lease liabilities Includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.	
Current	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note: 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.75	0.43	562.37	1,370.06
Additions	-	5.31	1.44	5.93	-	12.68
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.77**	**108.18**	**6.36**	**528.56**	**1,348.92**
Amortisation						
As at April 01, 2024						
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.49	0.27	59.41	125.67
Amortisation for the year (Refer Note - 36)	-	1.33	21.35	1.96	32.33	56.97
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.80	33.81
As at March 31, 2025	**64.38**	**7.83**	**80.83**	**2.23**	**76.38**	**231.65**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.94**	**27.35**	**4.13**	**452.18**	**1,117.27**

Note:- The Company has received intangible assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme (Refer Note:48).

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to acquisition upon aprrovel of the Scheme of Arrangement between the Company and Aditya Birla Fashion and Retail Limited by the NCLT on March 27, 2025. (Refer note 48)

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is invloved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprises operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21"" (""F21""), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores on September 30, 2024.

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the Madura Fashion & Lifestyle CGU

Value in use calculation of CGU:

The recoverable amount of the CGU as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of the CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of

continue to next page

debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

	Discount Rate
	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 (a) NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN EQUITY OF SUBSIDIARY

₹ in Crore

	As at March 31, 2025
(a) Investments in subsidiary	
Investments in subsidiaries: (Carried at cost)	
Unquoted equity instruments	
3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited (Refer Note - 1 below)*	35.00
Total	**35.00**
*Transfer of 3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited as per the Composite Scheme.	
(b) Current Investments (Carried at fair value through profit and loss (FVTPL))	
Quoted	
Investment in Mutual Fund schemes	117.18
Total	**117.18**
Aggregate book value of unquoted investments	35.00
Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Notes:

1. Aditya Birla Garments Limited (ABGL), a wholly owned subsidiary of the Company was incorporated on June 15, 2022 in compliance with the requirements of 'Operational Guidelines for the Production Linked Incentive (PLI) scheme for promoting Manmade fibre and Textile segments'. The Company has committed to provide support to fund the operations of ABGL in the forseeable future.
2. Folio of Mutual fund are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (refer note 48). Management will initiate the process to transfer these assets in the name of the Company.
3. The Company has received Mutual funds relating to Madura Fashion & lifestyle business pursuant to Composite Scheme.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans to employees	
Unsecured, considered good	0.48
Total	**0.48**

NOTE: 8 NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.51
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.51**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	0.49
Total	**203.74**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Standalone Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Standalone Balance Sheet		Standalone Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 Transferred pursuant to Composite Scheme (Refer note 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(93.90)	(31.99)
Disallowance under Section 43B and 40(a)(i) of the Income Tax Act, 1961	37.73	33.95	(3.78)
Share-based payment	9.22	9.89	0.67
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	124.84	68.89
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.80)	(24.33)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**151.02**	**21.11**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	151.02
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note - 38)	(22.19)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note - 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17% .

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.65
Prepayments	5.51
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**53.75**

NOTE: 12 INVENTORIES

<u>**Accounting Policy**</u>

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

See note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	233.07
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.09
Packing materials	5.07
Total	**2,107.52**

During the year ended March 31, 2025 ₹ Nil is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.13
Unsecured, considered doubtful	7.58
Expected credit loss	(7.58)
Total	**100.13**

NOTE: 15 TRADE RECEIVABLES

<u>**Accounting Policy**</u>

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.21
Trade receivables from related parties (Refer Note - 45)	151.34
	1,355.55
Less: Loss Allowances	(30.07)
Total	**1,325.48**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,265.08
	1,355.55

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Ageing of Trade Receivables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						
		Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,107.10	110.30	84.18	28.52	-	-	1,330.10
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii)	Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii)	Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
	Disputed	-	-	-	0.43	0.59	7.50	8.52
	Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix)	Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x)	Expected credit loss	-	-	-	-	-	-	(3.32)
	Total	**1,107.10**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,325.48**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	Expected credit loss (%)		
	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total	**-**	**-**	**581.55**

Impact is considered to be immaterial

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.59
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
As at the end of the year	**52.99**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.21	(79.22)	-	-	52.99
Current investments	361.75	244.57	-	(489.14)	117.18
Total (a)	**493.96**	**165.35**	**-**	**(489.14)**	**170.17**
Financing activities					
Non-current borrowings	1.99	(11.23)	-	10.28	1.04
Current borrowings (including current maturities of non-current borrowings)	1,339.78	(479.32)	-	(10.28)	850.18
Lease liabilities	1,904.30	(640.99)	-	716.95	1,980.26
Total (b)	**3,246.07**	**(1,131.54)**	**-**	**716.95**	**2,831.48**
Net debt (b-a)	**2,752.11**	**(1,296.89)**	**-**	**1,206.09**	**2,661.31**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.07
As at the end of the year	**0.07**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	15.90
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.06**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	22.95
Advance to suppliers	107.92
Export incentives	3.59
Balances with government authorities (other than income tax)	168.59
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**616.65**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2025		
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of shares held	% of paid-up share capital
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Company.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Reserves and surplus	
Retained earnings	
As at the beginning of the year	-
Profit/(Loss) for the period	69.00
As at the end of the year	**69.00**
Group share options outstanding account	
As at the beginning of the year	-
Pursuant to Composite Scheme	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Pursuant to Composite Scheme	(33.68)
As at the end of the year	**(33.68)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Gains/ (losses) during the period	(3.22)
As at the end of the year	**(3.22)**
Total	**1,293.85**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	1,220.26
Reserves and surplus	
Retained earnings	69.00
Group share options outstanding account	41.49
Capital reserve	(33.68)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.22)
Total	**1,293.85**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite Scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Share options outstanding account**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   This reserve is created against the difference in the net assets transferred and issuance of equity share capital in effect to the Composite Scheme. The reserve will be utilised in accordance with the provision of the Act.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Term loan from others			
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**1.04**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	1.43
Total (included in Current Borrowings)			**500.71**
*Net off unamortised charges			
Aggregate secured borrowings			-
Aggregate unsecured borrowings			501.75

Note:-

(i) The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initaite the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Company.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to ₹ 1.92 Crore is repayable in monthly instalments till June 2026.

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note - 41)	9.87
Stock Appreciation Rights (SAR)	12.33
Total	**22.20**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	19.53
Total	**19.53**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note - 22)	500.71
Total current borrowings	**850.18**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,029.42
Total	**2,118.27**

*Includes payables to related parties (Refer Note: 45).

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

₹ in Crore

		As at March 31, 2025
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
	Principal amount due to Micro and Small Enterprises*	101.57
	Interest due on the above	0.24
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c.	The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 12.96 Crore as at March 31, 2025 .

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	84.32	4.05	-	0.00	0.03	88.40
(ii)	Others	971.15	973.44	65.80	4.97	12.52	2,027.88
(iii)	Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv)	Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	24.77
Derivative contracts	4.96
Employee Payable	102.62
Liability towards license rights	1.41
Total	**140.17**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	57.27
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note: 44)	50.02
Total	**140.83**

Movement of provision for pending litigations during the period:

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	53.09
Add: provision made during the period	0.78
Less: provision utilised during the period	(3.03)
Less: provision reversed during the period	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.15
Statutory dues (other than income tax)	36.36
Refund liabilities	499.11
Total	**567.35**

*** Deferred revenue**

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.55
Deferred during the period	46.29
Released to the Standalone Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

<u>**Accounting Policy**</u>

(I) Revenue from contracts with customers

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

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

· Identify the contract with a customer;

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

- 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 from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the number of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Cpmpany's brand name. Revenue is recognised over time based on the terms of contracts with the customer

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	Period ended March 31, 2025
Revenue from sale of products	
Sale of products	7,747.46
Revenue from redemption of loyalty points (Refer Note: 30)	45.47
Total revenue from sale of products	**7,792.93**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.13
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.73**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,325.48
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.70
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(d) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss:

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.70
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(e) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.67
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	5.99
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note: 43a)	6.99
Miscellaneous income	19.60
Total	**77.27**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,055.89
	1,241.98
Less: Inventories at the end of the year	233.07
Total	**1,008.91**

₹ in Crore

	As at March 31, 2025
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	**2,146.68**
Total	**2,146.68**

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

₹ in Crore

	As at March 31, 2025
Opening inventories	
Finished goods	419.01
Stock-in-trade	1,568.20
Work-in-progress	20.49
	2,007.70
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	771.93
Contribution to provident and other funds (Refer Note: 41)	53.41
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.22
Staff welfare expenses	42.59
Total	**899.91**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	94.19
Interest on deposit	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**376.95**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	145.64
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.04
Amortisation on intangible assets (Refer Note: 5)	56.97
Total	**701.65**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.25
Power and fuel	15.65
Electricity charges	71.23
Repairs and maintenance	
Buildings	0.01
Plant and machinery	0.71
Others	165.10
Insurance	6.54
Rates and taxes	15.05
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	120.94
Royalty expenses	14.10
Legal and professional	97.81
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.27
Travelling and conveyance	85.29
Bank and credit card charges	31.43
Payment to auditors (Refer details below)	1.51
Postage expenses	6.67
Foreign exchange loss (net)	16.10
Information technology	109.34
Outsourcing, housekeeping and security	429.94
Miscellaneous	43.08
Total	**1,678.27**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.20
For tax audit fees	0.15
For other services	0.04
For reimbursement of expenses	0.12
Total	**1.51**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Standalone Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	-
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		22.19
	(B)	**22.19**
Total	(A+B)	**22.19**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**91.19**
Tax expense/ (income) at statutory income tax rate of 25.17%	**22.95**
Reconciling items:	
Expenses disallowed for tax purposes	0.47
Others	(1.23)
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**22.19**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss		69.00
Profit/(Loss) for calculation of EPS	**(A)**	**69.00**
Weighted average number of equity shares for calculation of Basic EPS	**(B)**	1,22,02,60,946
Profit / (Loss) per share - basic (₹)	**(A/B)**	**0.57**
Weighted average number of equity shares outstanding		1,22,02,60,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,22,02,60,946
Diluted EPS (₹)	**(C)**	**0.57**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Requirements of Section 135 of the Companies Act, 2023 are not applicable to the Company during the period ended March 31, 2025.

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Company funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Company.

The Company has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and Standalone Balance Sheet.

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/ (deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing defined benefit obligation	**82.96**

Amounts recognised in the Standalone Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

The principal assumptions used in determining gratuity liability for the Company are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	6.70%
Salary escalation rate	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	(3.66)	3.93
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	3.91	(3.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.05
Between 2 and 5 years	35.74
Between 6 and 10 years	38.34
Beyond 10 years	97.52
Total	**182.65**

The Company is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	38.09
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	6.67
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Superannuation Fund	0.60
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.87
Total	**53.41**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment transactions	1.49
Expense arising from cash-settled share-based payment transactions	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below :-

	Option SARs	RSU SARs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-		-	
Transfer pursuant to Composite Scheme	3,88,363	164.23	84,976	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	**-**		**-**	
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors (""Board"") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 (""Scheme 2019""), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees. Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019

	Option SARs	RSU SARs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/ at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below :

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	14,78,113	209.50	2,47,625	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below :

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting	Bullet vesting
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	**Weighted average exercise price (₹ per share)**	**No. of RSU SARs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-		-	
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

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Aditya Birla Lifestyle Brands Limited
Corporate Identity Number (CIN): U46410MH2024PLC423195

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	1,813,089	578,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	1,813,089	317.93	578,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Unvested at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs as on grant date during the year:

	Options	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Company has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Company has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both

Expenses/ Income recognised in the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.04
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Standalone Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.19
Total	**2,121.59**

The initial non-cancellable period of the lease agreement pertaining to stores are upto 3 years, beyond which there is an option for the Company to continue the lease, which the Company expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term of the stores. Post such period, the Company has the option to exit the lease by giving a notice period and the Company assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.26 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	39.87
Total	**39.87**

c) Other commitments

As at March 31, 2025, the Company has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	March 31, 2025
Claims against the Company not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	3.55
Textile committee cess	0.75
Others*	2.71
Total	**7.61**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Company's pending litigations comprise of claims against the Company primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for commercial taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Company has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025

Note :- As per the approved Composite Scheme of Arrangement, the Company has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025) *

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Wholly owned subsidiary

Aditya Birla Garments Limited

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Director with effect from April 09, 2024

Mr. Anil Malik- Director with effect from April 09, 202

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	241.45	-	-
Reimbursement of expenses recovered from	0.65	-	-
Purchase of goods	69.57	-	-
Reimbursement of expenses paid to	121.18	-	-
Production services given	11.21	-	-
Purchase of capital item	0.07	-	-
Transfer of Post-employment liabilities	0.86	-	-

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.44	-	-
Amounts owed by related parties	151.34	-	-

Note:-

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes:15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	112,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	375,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	260,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	171,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	170,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	406,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	246,340
Total				**1,810,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	113,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**460,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Level 1	Fair value Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.64	276.64	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,325.48	1,325.48	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	52.99	52.99	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.07	0.07	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	279.80	279.80	-	-	-
Total	**117.18**	**-**	**1,941.20**	**2,058.38**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	1.04	1.04	-	-	-
Current borrowings (Refer Note - 26)	-	-	850.18	850.18	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,118.27	2,118.27	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	653.25	653.25	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,147.59**	**4,152.55**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

The investments made in a subsidiary as at March 31, 2025 is ₹ 35 Crore and is measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Company, pursuant to the demerger.

b) Investment:

i) Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Company's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	(1.65)	1.65
Increase/ (decrease) in Profit/ loss after tax	(1.23)	1.23

The assumed movement in interest rates for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The Company manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Company has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Standalone Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	4.97	433.08

The details of unhedged foreign currency exposure as at the Standalone Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Company's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company only deals with parties which has good credit rating given by external rating agencies or based on the Company's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Standalone Statement of Profit and Loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Company has 24 customers that owed the Company more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 99.88% of the Company's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to various sources of funding.

The below tables summarises the maturity profile of the Company's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	888.65	1.04	-	889.69
Lease liabilities	566.20	1,188.20	367.19	2,121.59
Other financial liabilities	190.74	236.76	911.76	1,339.26
Deposits	250.55	274.30	-	524.85
Trade payables	2,118.27	-	-	2,118.27
Total	**4,014.41**	**1,700.30**	**1,278.95**	**6,993.66**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March 31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	850.18
Long-term debts	1.04
Total borrowings	**851.22**
Equity (including share suspense)	1,293.90

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

NOTE 48: BUSINESS COMBINATION

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger. Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024. Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	454.13
Capital work-in-progress	17.74
Goodwill	692.05
Other intangible assets	552.34
Right to use	1,495.32
Financial assets	
(i) Investment in equity of a subsidiary	35.00
(ii) Loans	0.41
(iii) Security deposits	180.20
(iv) Other financial assets	197.55
Deferred tax assets (net)	151.02
Non-current tax assets (net)	11.09
Other non-current assets	39.74
Total - Non-current assets	**3,826.59**
Current assets	
Inventories	2,201.29
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.49
(iii) Security deposits	70.66
(iv) Trade receivables	940.96
(v) Cash and cash equivalent	132.21
(vi) Bank balance other than above	0.05
(vii) Other financial assets	79.12
Other current assets	662.05
Total - Current assets	**4,455.58**
TOTAL - ASSETS - A	**8,282.17**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1.99
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	506.17
Provisions	7.42
Other non-current liabilities	19.69
Total - Non-current liabilities	**2,204.46**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,339.78
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	64.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,886.03
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	116.15
Provisions	128.62
Other current liabilities	558.57
Total - Current liabilities	**4,851.13**
Total - Liabilities - B	**7,055.59**
Net Assets - C (A - B)	**1,226.58**

Against the net assets of ₹ 1,226.58 Crore, the Company has created share suspense and share based payment reserve of ₹1220.26 crore and ₹40.00 Crore respectively and the balance of ₹(33.68) Crore has been recognised as Capital reserve

NOTE - 49 RATIO DISCLOSURES

	As at March 31, 2025	Reasons for variance more than 25%
Current ratio (times)1	1.08	Refer note below
Debt equity ratio (times)2	0.39	
Debt service coverage ratio (times)3	1.52	
Return On Equity (%)4	5.48%	
Inventory turnover (times)5	3.63	
Debtors turnover (times)6	6.91	
Trade Payables turnover (times)7	1.57	
Net capital turnover (times)8	5.97	
Net profit margin (%)9	0.88%	
Return On Average Capital Employed (%)10	10.88%	
Return On Investment (%)11	5.69%	

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity

   Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments

   Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

    * Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

Note:

1. The Ratio have been calculated considering the assets and liabilities acquired by the company pursuant to the scheme of arrangement as opening assets and liabilities.
2. The Company was incorporated on April 09, 2024. This is the first financial statements of the Company. Accordingly, explanation of reason for variance more than 25% is not applicable in the current year.

NOTE - 50 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The company's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Standalone 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.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

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, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Standalone Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone 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 Standalone Statement of Profit and Loss are also reclassified in OCI or the Standalone Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) 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 Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Company had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Standalone Statement of Profit and Loss are recognised outside the Standalone 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Standalone 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 Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Standalone Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Standalone Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) 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 Standalone 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 are recognised in the Standalone 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 Standalone 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.

(j) 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 and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Call options over shares in the acquired subsidiary is initially recognised as a financial asset at fair value, with subsequent changes in fair value recognised in the standalone statement of profit and loss.

(iv) Equity investments

Investment in Subsidiaries is out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries its carrying value, and then recognises the impairment loss in the Standalone statement of profit and Loss.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Standalone Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Standalone Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognises financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks and options contract in accordance with agreement. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Standalone Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the Standalone Statement of Profit and Loss when the hedge item affects the Standalone Statement of Profit and Loss or treated as basis adjustment, if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (Refer Note – 44).

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. The gratuity plan is funded (maintained by an independent insurance company) hence the liability has been categorized as funded. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

During the period, the Company was not granted working capital loans secured by current assets; therefore, it was not required to file quarterly statements with any banks or financial institutions.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries."

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

In accordance with the Scheme of Arrangement, the Company has assumed unsecured borrowings from the Demerged Company and, as a result, is not required to register charges with the Registrar of Companies.

NOTE - 53 Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

THE CONSOLIDATED FINANCIAL STATEMENTS / INFORMATION ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

Consolidated Balance Sheet as at March 31, 2025

₹ in Crore

		Notes	As at March 31, 2025
ASSETS			
I	Non-current assets		
	(a) Property, plant and equipment	3a	638.54
	(b) Capital work-in-progress	3b	13.00
	(c) Right-of-use assets	4a	1,524.37
	(d) Goodwill	5	627.67
	(e) Other intangible assets	5	489.60
	(f) Financial assets		
	(i) Loans	7	0.48
	(ii) Security deposits	8	176.73
	(iii) Other financial assets	9	204.67
	(g) Deferred tax assets (net)	10	129.91
	(h) Non-current tax assets (net)		14.76
	(i) Other non-current assets	11	54.05
	Total - Non-current assets		**3,873.78**
II	**Current assets**		
	(a) Inventories	12	2,108.82
	(b) Financial assets		
	(i) Current investments	6	117.18
	(ii) Loans	13	5.74
	(iii) Security deposits	14	100.15
	(iv) Trade receivables	15	1,322.05
	(v) Cash and cash equivalents	16	53.06
	(vi) Bank balance other than cash and cash equivalents	17	0.59
	(vii) Other financial assets	18	76.16
	(c) Other current assets	19	621.50
	Total - Current assets		**4,405.25**
	TOTAL - ASSETS		**8,279.03**
EQUITY AND LIABILITIES			
I	**Equity**		
	(a) Equity share capital	20	0.05
	(b) Share Suspense	21	1,220.26
	(c) Other equity	21	56.22
	Total - Equity		**1,276.53**
II	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	22	77.44
	(ii) Lease liabilities	4b	1,516.88
	(iii) Deposits		274.30
	(iv) Other financial liabilities	23	518.08
	(b) Provisions	24	22.71
	(c) Other non-current liabilities	25	26.02
	Total - Non-current liabilities		**2,435.43**
III	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	26	874.75
	(ii) Lease liabilities	4b	463.38
	(iii) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	27	89.11
	Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,032.21
	(iv) Deposits		250.55
	(v) Other financial liabilities	28	147.36
	(b) Provisions	29	141.64
	(c) Other current liabilities	30	568.07
	Total - Current liabilities		**4,567.07**
	TOTAL - EQUITY AND LIABILITIES		**8,279.03**
Basis of preparation		2	

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

Consolidated Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

		Notes	Period ended March 31, 2025
I	Revenue from operations	31	7,829.96
II	Other income	32	77.71
III	**Total income (I + II)**		**7,907.67**
IV	**Expenses**		
	(a) Cost of materials consumed	33a	1,010.33
	(b) Purchase of stock-in-trade	33b	2,121.28
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
	(d) Employee benefits expense	34	918.42
	(e) Finance costs	35	382.00
	(f) Depreciation and amortisation expense	36	705.73
	(g) Rent expense	43a & 4a	764.70
	(h) Other expenses	37	1,683.06
	Total expenses		**7,725.93**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**181.74**
VI	Exceptional items	37a	(98.33)
VII	**Profit/(Loss) before Tax (V + VI)**		**83.41**
VIII	**Income tax expense**		
	(a) Current tax	38	-
	(b) Current tax relating to earlier years	38	-
	(c) Deferred tax	38	23.81
			23.81
IX	**Profit/(Loss) for the year (VII - VIII)**		**59.60**
X	**Other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.37)
	Income tax effect on above		1.08
	Total other comprehensive income for the year		**(3.29)**
XI	**Total comprehensive income for the year (IX + X)**		**56.31**
XII	**Earnings per equity share [Nominal value of share ₹ 10]**	39	
	Basic (₹)		0.49
	Diluted (₹)		0.49
Basis of preparation		2	

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

Consolidated Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

	Reserves and surplus			Other Comprehensive Income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note-21)	Group share based payment reserve(Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	59.60	-	-	-	59.60	-
Other comprehensive income for the year				(3.29)	(3.29)	
Pursuant to Composite scheme	-	40.00	(41.58)	-	(1.58)	1,220.26
Capital contribution on Group share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**59.60**	**41.49**	**(41.58)**	**(3.29)**	**56.22**	**1,220.26**

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

Consolidated Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		83.41
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	788.55
Finance costs	35	382.00
Gain on termination of right-of-use assets (Including Exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(6.08)
Net gain on current investments (including on redemption)	32	(0.07)
Net Unrealised exchange (gain)/ loss		14.03
Interest income from financial assets at amortised cost	32	(44.68)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,230.52**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(376.81)
(Increase)/ decrease in inventories		92.53
(Increase)/ decrease in other assets		57.21
Increase/ (decrease) in trade payables		166.32
Increase/ (decrease) in provisions		26.52
Increase/ (decrease) in other liabilities		(48.57)
Cash generated from/ (used) in operations		**1,147.72**
Income taxes paid (net of refund)		(3.55)
Net cash flows from/ (used) in operating activities		**1,144.17**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(246.48)
Proceeds from sale of property, plant and equipment and intangible assets		2.95
(Purchase)/proceeds from sale or redemption of current investments (net)		244.64
Interest received		5.84
Net cash flows from/ (used) in investing activities		**6.95**
Cash flows from financing activities		
Proceeds from issue of equity shares		0.05
Proceeds from non-current borrowings (net off charges)		37.21
Proceeds/ (repayments) of current borrowings (net)		(478.71)
Repayment of non-current borrowings		(11.83)
Repayment of lease liabilities		(453.22)
Interest paid on lease liabilities		(187.74)
Interest paid	35	(136.17)
Net cash flows from/ (used) in financing activities		**(1,230.41)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.29)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite scheme (Refer note: 48)		132.35
Cash and cash equivalents at the end of the year	**16**	**53.06**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.66
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**53.06**

Notes to the Consolidated Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company" or "the Holding Company), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company and its subsidiaries (together referred as the "Group") are engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The Consolidated financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, 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 Group's assumptions and estimates are based on parameters available at the time of preparation of financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Consolidated Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Group:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

2.6 Principles of consolidation

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiary. Subsidiary is the entity controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110) notified under Section 133 of the Companies Act, 2013. The Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Acounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 6 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

Property, Plant and Equipment

₹ in Crore

Cost	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	66.50	323.76	201.56	55.93	265.04	27.98	27.13	973.82
Additions	0.26	44.41	65.41	51.62	12.60	83.38	11.29	18.28	287.25
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**6.18**	**110.91**	**383.83**	**233.32**	**57.97**	**321.91**	**36.39**	**41.05**	**1,191.56**
Depreciation									
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.36	134.62	105.80	23.64	175.35	15.35	4.61	469.73
Depreciation for the year (Refer Note: 36)	-	2.75	23.44	42.32	12.38	53.51	7.36	7.92	149.68
Disposals	-	-	4.89	19.84	10.52	26.27	2.88	1.99	66.39
As at March 31, 2025	-	**13.11**	**153.17**	**128.28**	**25.50**	**202.59**	**19.83**	**10.54**	**553.02**
Net carrying value as at:									
March 31, 2025	**6.18**	**97.80**	**230.66**	**105.04**	**32.47**	**119.32**	**16.56**	**30.51**	**638.54**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	638.54
Total	**638.54**

Note: The Group has received assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Property, Plant and Equipment are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to transfer these assets in the name of the Holding Company or its Subsidiary.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	13.00
Total	**13.00**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	13.00	-	-	-	13.00
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Group is the lessee

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Consolidated Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Group is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipmen	Computers	Furniture and fixtures	Office equipment	Total
Cost							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	11.33	2,648.24	15.60	-	84.96	3.49	2,763.62
Additions	-	604.48	-	-	4.51	-	608.99
Termination	-	511.61	-	-	-	-	511.61
As at March 31, 2025	**11.33**	**2,741.11**	**15.60**	**-**	**89.47**	**3.49**	**2,861.00**
Depreciation							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.96	1,198.19	10.65	-	55.71	1.93	1,267.44
Depreciation for the year (Refer Note: 36)	0.16	477.78	3.09	-	17.35	0.68	499.06
Termination	-	429.87	-	-	-	-	429.87
As at March 31, 2025	**1.12**	**1,246.10**	**13.74**	**-**	**73.06**	**2.61**	**1,336.63**
Net carrying value as at:							
March 31, 2025	**10.21**	**1,495.01**	**1.86**	**-**	**16.41**	**0.88**	**1,524.37**

Note:The Group has received Right-of-use assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Right-of-use assets are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to transfer these assets in the name of the Holding Company or its Subsidiary.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,524.37
Total	**1,524.37**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**

Note: Lease liabilities includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.

Curren	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note - 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis

continue to next page

Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchise rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.81	0.43	562.37	1,370.12
Additions	-	5.29	1.44	5.93	-	12.66
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.75**	**108.24**	**6.36**	**528.56**	**1,348.96**
Amortisation						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.51	0.27	59.39	125.67
Amortisation for the year (Refer Note:36)	-	1.33	21.36	1.96	32.34	56.99
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.78	33.79
As at March 31, 2025	**64.38**	**7.83**	**80.86**	**2.23**	**76.39**	**231.69**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.92**	**27.38**	**4.13**	**452.17**	**1,117.27**

Note: The company has received Intangible assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. (Refer Note:48)

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to approval of the scheme of arrangement between the Company and Aditya Birla Fashion and Retail Limited (Demerged Company) by the NCLT on March 27, 2025 (Refer Note:48).

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is involved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprising of operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21" ("F21"), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores during the period ended September 30, 2024

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of Madura Fashion and Lifestyle CGUs:

The recoverable amount of the CGUs as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Holding Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

Discount Rate

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 Current Investments

₹ in Crore

	As at March 31, 2025
Current Investments (Carried at fair value through profit and loss (FVTPL)	
Quoted investments	
Investment in Mutual Fund Schemes	117.18
Total	**117.18**

Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Note:

(i) The Group has received Mutual Funds relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme.

(ii) Folio of Mutual Funds are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Group) (Refer Note:48). Management will initiate the process to transfer these Mutual Funds in the name of the Group.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	0.48
Total	**117.18**

NOTE: 8NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.73
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.73**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	1.42
Total	**204.67**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Consolidated Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 transferred pursuant to Composite Scheme (Refer Note: 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(94.35)	(32.44)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	34.16	(3.57)
Share-based payment	9.22	9.88	0.66
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	126.70	70.75
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.79)	(24.32)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**152.64**	**22.73**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**152.64**
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note: 38)	(23.81)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note: 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17%

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.88
Prepayments	5.58
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**54.05**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is

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determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

Refer note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	234.24
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.22
Packing materials	5.07
Total	**2,108.82**

During the year ended March 31, 2025 ₹ 0 is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.15
Unsecured, considered doubtful	7.58
Provision for doubtful deposits	(7.58)
Total	**100.15**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.42
Trade receivables from related parties (Refer Note:45)	147.70
	1,352.12
Less: Loss Allowances	(30.07)
Total	**1,322.05**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,261.66
	1,352.13

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,103.67	110.30	84.18	28.52	-	-	1,326.67
(ii) Undisputed Trade Receivables – considered doubtful		-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii) Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
Disputed	-	-	-	0.43	0.59	7.50	8.52
Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix) Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x) Expected credit loss	-	-	-	-	-	-	(3.32)
Total	**1,103.67**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,322.05**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally ranges between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total		**-**	**581.55**

Impact is considered to be immaterial.

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.66
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
Total	**53.06**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.35	(79.30)	-	-	53.06
Current investments	361.75	(244.64)	-	0.07	117.18
Total (a)	**494.10**	**(323.94)**	**-**	**0.07**	**170.24**
Financing activities					
Non-current borrowings	60.03	25.38	-	(7.97)	77.44
Current borrowings (including current maturities of non-current borrowings)	1,345.50	(478.71)	-	7.96	874.75
Lease liabilities	1,904.30	(640.96)	-	716.92	1,980.26
Total (b)	**3,309.83**	**(1,094.29)**	**-**	**716.91**	**2,932.45**
Net debt (b-a)	**2,815.73**	**(770.35)**	**-**	**716.84**	**2,762.21**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.59
Total	**0.59**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	16.00
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.16**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	**23.27**
Advance to suppliers	107.97
Export incentives	3.59
Balances with government authorities (other than income tax)	173.07
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**621.50**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters	As at March 31, 2025	
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of Shares	% of total shares
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Group.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Retained earnings	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Profit/(Loss) for the period	59.60
As at the end of the year	**59.60**

Group share based payment reserve

₹ in Crore

	As at March 31, 2025
As at the beginning of the year	**-**
Transferred pursuant to Composite Scheme (Refer Note: 48)	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	(41.58)
As at the end of the year	**(41.58)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Gains/ (losses) during the year	(3.29)
As at the end of the year	**(3.29)**
Total	**1,276.48**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	**1,220.26**
Reserves and surplus	
Retained earnings	59.60
Group share based payment reserve	41.49
Capital reserve	(41.58)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.29)
Total	**1,276.48**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Group share based payment reserve**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   Capital reserve represents difference between the carrying amount of net assets transferred to the Company and face value of shares issued, pursuant to a Scheme of arrangement between the Company and Aditya Birla Fashion & Retail Limited, approved by NCLT on March 27, 2025.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore

	Effective interest rate % p.a.	Maturity	As at March 31, 2025
Term loans from banks			
Term Loan from Axis Bank (Secured)[2]	8.44%	September 30, 2028	76.40
Term loan from others			
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**77.44**
Current maturities of long-term borrowings			
	Effective interest rate % p.a.	**Maturity**	**As at March 31, 2025**
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Term Loan from Axis Bank (Secured)[2]	2 8.44%	September 30, 2028	24.57
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	1.43
Total (included in Current Borrowings)			**525.28**
*Net off unamortised charges			
Aggregate secured borrowings			100.97
Aggregate unsecured borrowings			501.75

Note:

(i) The borrowings above have been transferred to the Group pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initiate the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Holding Company or its Subsidiary.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to 1.92 Crore is repayable in monthly instalments till June 30, 2026.
2. An amount of ₹ 145 Crore was sanctioned by Axis Bank. The loan is repayable in 15 structured quarterly instalments beginning after 15 months from the date of first disbursement of the loan. The final instalment is due for repayment in September 2028. The borrowing is secured by way of a charge on the movable assets (including book debts) of Aditya Birla Garments Limited (a Subsidiary of the Holding Company).

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note:41)	10.38
Stock Appreciation Rights (SAR)	12.33
Total	**22.71**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	26.02
Total	**26.02**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note: 22)	525.28
Total	**874.75**

Aggregate secured borrowings	24.57
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

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NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,032.21
Total	**2,121.32**

*Includes payables to related parties (Refer Note:45).

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

₹ in Crore

	As at March 31, 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
Principal amount due to Micro and Small Enterprises*	102.03
Interest due on the above	0.24
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c. The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 13.16 Crore as at March 31, 2025

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	86.28	2.35	-	0.00	0.03	88.66
(ii) Others	972.77	974.61	65.80	4.97	12.52	2,030.67
(iii) Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv) Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	**30.26**
Derivative contracts	4.96
Employee Payable	104.32
Liability towards license rights	1.41
Total	**147.36**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	58.05
Provision for gratuity (Refer Note:41)	0.03
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note:44)	50.02
Total	**141.64**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme	**53.09**
Add: provision made during the year	0.78
Less: provision utilised during the year	(3.03)
Less: provision reversed during the year	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.44
Statutory dues (other than income tax)	36.79
Refund liabilities	499.11
Total	**568.07**

*** Deferred revenue:**

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme (Refer note:48)	**5.55**
Deferred during the year	46.29
Released to the Consolidated Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme extended by the respective businesses. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

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

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them to purchase products in the future for free or at a discounted price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the number of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Group's brand name. Revenue is recognised over time based on the terms of contracts with the customer.

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	As at March 31, 2025
Revenue from sale of products	
Sale of products	7,747.66
Revenue from redemption of loyalty points (Refer Note:30)	45.47
Total revenue from sale of products	**7,793.13**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.16
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.96**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,322.05
Contract Liabilities	
Advances received from customers	**25.36**
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.93
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(d) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss:

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.93
	7,829.96
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(e) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.90
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	6.08
Net gain on investment in mutual funds (including on redemption)	0.07
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note:43a)	6.99
Miscellaneous income	19.88
Total	**77.71**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,058.48
	1,244.57
Less: Inventories at the end of the year	234.24
Total	**1,010.33**
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	2,121.28
Total	**2,121.28**
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	
Opening inventories	419.01
Finished goods	1,568.20
Stock-in-trade	20.49
Work-in-progress	
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	787.50
Contribution to provident and other funds (Refer Note: 41)	55.22
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.43
Staff welfare expenses	43.51
Total	**918.42**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	99.24
Interest on deposits	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**382.00**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	149.68
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.06
Amortisation on intangible assets (Refer Note: 5)	56.99
Total	**705.73**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.43
Power and fuel	16.54
Electricity charges	72.09
Repairs and maintenance	
Buildings	0.02
Plant and machinery	0.76
Others	165.33
Insurance	6.73
Rates and taxes	15.12
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	121.31
Royalty expenses	14.10
Legal and professional	98.16
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.38
Travelling and conveyance	86.42
Bank and credit card charges	31.47
Payment to auditors (Refer details below)	1.64
Postage expenses	6.67
Foreign exchange loss (net)	15.96
Information technology	109.34
Outsourcing, housekeeping and security	430.23
Miscellaneous	43.11
Total	**1,683.06**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.31
For tax audit fees	0.16
For other services	0.05
For reimbursement of expenses	0.12
Total	**1.64**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Consolidated Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	**-**
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		23.81
	(B)	**23.81**
Total	**(A+B)**	**23.81**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**83.41**
Tax expense/ (income) at statutory income tax rate of 25.17%	**20.99**
Reconciling items:	
Expenses disallowed for tax purposes	0.48
Others	2.34
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**23.81**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss (A)		59.60
Profit/(Loss) for calculation of EPS	**(A)**	**59.60**
Weighted average number of equity shares for calculation of Basic EPS*	**(B)**	1,220,260,946
Profit / (Loss) per share - basic (₹)	**(A/B)**	**0.49**
Weighted average number of equity shares outstanding		1,220,260,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,220,260,946
Diluted EPS (₹)	**(C)**	**0.49**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Group's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

The additional information required by Ind AS 108 is as below :-

₹ in Crore

(a) Revenue from customer (based on geographical location of customers) :	Period ended March 31, 2025
India	180.06
Outside India	7,649.90
Total	**7,829.96**

₹ in Crore

(b) Location of non - current assets (excluding deferred tax assets):	Year ended March 31, 2025
India	3,743.88
Outside India	-
Total	**3,743.88**

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Group funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Holding Company.

The Group has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Total	**0.21**

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	0.24
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	0.03
Experience adjustments	0.04
Actuarial (gain)/ loss recognised in OCI	0.07
Benefits paid	(0.01)
Closing defined benefit obligation	**0.51**

Funded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/(Deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing fair value of the plan assets	**82.96**

Amounts recognised in the Consolidated Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Unfunded	0.51
Liability	**0.51**
Net liability is classified as follows:	
Current	-
Non-current	0.51
Net liability - Funded	**0.51**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	
Funded plan & Unfunded plan	6.70%
Salary escalation rate	
Funded plan & Unfunded plan	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	(3.66)	3.93
Unfunded plan	(0.03)	0.03
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	3.91	(3.68)
Unfunded plan	0.03	(0.03)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.08
Between 2 and 5 years	35.91
Between 6 and 10 years	38.54
Beyond 10 years	98.46
Total	**183.99**

The Group is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary

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ADITYA BIRLA
LIFESTYLE BRANDS

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Registered Office: Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401,403, 501, 502, L.B.S Road, Kurla, Mumbai 400070, Maharashtra, India

Corporate Office: Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037

Tel: +91 86529 05000 | **Email Id** – secretarial.ablbl@abfrl.adityabirla.com | **Website –** www.ablbl.in

Contact Person: Mr. Rajeev Agrawal, Company Secretary & Compliance Officer

PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF SHAREHOLDERS OF ADITYA BIRLA LIFESTYLE BRANDS LIMITED

STATUTORY ADVERTISEMENT (“ADVERTISEMENT”) ISSUED IN COMPLIANCE WITH PARA 5 OF PART II(A) OF SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”) MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023, AS AMENDED FROM TIME TO TIME, READ WITH RULE 19(7) OF THE SECURITIES CONTRACTS (REGULATIONS) RULES, 1957, AS AMENDED FROM TIME TO TIME (‘SCRR’) PURSUANT TO GRANT OF RELAXATION BY SEBI VIDE ITS LETTER DATED JUNE 13, 2025 FROM THE APPLICABILITY OF RULE 19(2)(B) OF SCRR, PURSUANT TO SCHEME OF ARRANGEMENT AMONSGT ADITYA BIRLA FASHION AND RETAIL LIMITED AND ADITYA BIRLA LIFESTYLE BRANDS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

THIS PUBLIC ANNOUNCEMENT DOES NOT RELATE TO ANY ISSUANCE / SALE OF EQUITY SHARES. NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CATEGORY OF INVESTORS PURSUANT TO THIS PUBLIC ANNOUNCEMENT, NOR IS IT SOLICITING AN OFFER TO BUY SECURITIES IN ANY JURISDICTION.

ABOUT THE SCHEME

The National Company Law Tribunal, Mumbai Bench, vide its order pronounced on March 27, 2025 has sanctioned the Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of, the Companies Act, 2013 amongst Aditya Birla Fashion and Retail Limited (“ABFRL”/ “Demerged Company”) and Aditya Birla Lifestyle Brands Limited (“ABLBL”/“Resulting Company”/“Company”) and their respective shareholders and creditors (“Scheme”). The Scheme became effective from May 1, 2025 with the appointed date being April 1, 2024. In accordance with the Scheme, Demerged Undertaking of ABFRL has been demerged into, transferred to and vested with the Company on a going concern basis. In accordance with the said Scheme, the Company has allotted 1 equity share of ₹ 10/- each for every 1 equity share of ₹ 10/- each held in the Demerged Company as on the record date i.e. May 22, 2025. The Equity Shares of our Company shall be listed and admitted to trading on BSE and NSE. The Company has received in-principle approval for listing of shares from BSE and NSE on June 5, 2025.

Capitalised terms used but not defined herein have the meaning assigned to them in the Information Memorandum.

1. NAME AND ADDRESSES OF THE REGISTERED OFFICE AND CORPORATE OFFICE OF THE COMPANY

The name of the Company is Aditya Birla Lifestyle Brands Limited. The Registered Office of the Company is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai, Maharashtra 400070. The Corporate Office of the Company is situated at Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037.

2. DETAILS OF CHANGE IN NAME AND/OR OBJECT CLAUSE

There has been no change in the name and object clause of the Company since incorporation.

3. CAPITAL STRUCTURE – PRE AND POST SCHEME OF ARRANGEMENT

Pre-Scheme		Post-Scheme	
Particulars	Aggregate Value (in ₹)	Particulars	Aggregate Value (in ₹)
Authorised Share Capital		Authorised Share Capital	
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	2,00,00,00,000 Equity Shares (of face value ₹ 10 each)	20,00,00,00,000
		5,55,000 Preference Shares (of face value ₹ 10 each)	55,50,000
Total	5,00,000	Total	20,00,55,50,000
Issued, Subscribed and Paid up Capital		Issued Share Capital	
Issued, Subscribed and Paid-up Capital		1,22,05,00,277 Equity Shares (of face value ₹ 10 each)	12,20,50,02,770
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
		Subscribed and Paid up Capital	
		1,22,02,94,773 Equity Shares (of face value ₹ 10 each)	12,20,29,47,730
		5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
Total	5,00,000	Total	12,20,84,97,730

4. SHAREHOLDING PATTERN GIVING DETAILS OF THE SHAREHOLDING OF PROMOTER, PROMOTER GROUPS AND GROUP COMPANIES:

a. Pre-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares: Shareholding (No. of shares) under Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	7*	50,000	-	-	50,000	100.00	50,000	-	50,000	100	-	100	-	-	-	-	50,000	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	7*	50,000	-	-	50,000	100	50	-	50,000	100	-	100	-	-	-	-	50,000	-	-	-

*in addition to Aditya Birla Fahsion and Retail Limited, there six nominees holding one Equity Share each on behalf of Aditya Birla Fahsion and Retail Limited

Note: In order to comply with the requirement of minimum 7 members in the Company under the Companies Act 2013, 1 equity share is held by 6 individual as nominee of Aditya Birla Fashion and Retail Limited

b. Post-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares: Shareholding (No. of shares) under Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	14	56,83,51,129	-	-	56,83,51,129	46.57	56,83,51,129	-	56,83,51,129	46.74	-	46.74	4,48,22,856	7.89	-	-	56,83,51,129	-	-	-
(B)	Public	2,98,726	64,76,32,655	-	-	64,76,32,655	53.08	64,76,32,655	-	64,76,32,655	53.26	-	53.07	3,96,09,127	6.12	NA	NA	64,76,32,655	6,58,00,866	17,85,80,724	-
(C)	Non Promoter - Non Public	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(C2)	Shares Held By Employee Trust	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
	Total	2,98,741	1,22,02,94,773	-	-	1,22,02,94,773	100	1,21,59,83,784	-	1,21,59,83,784	100	-	100	8,44,31,983	6.92	-	-	1,22,02,94,773	6,58,00,866	17,85,80,724	-

Note: 1) Voting Rights under Category “Public” includes 27,68,679 equity shares which remain frozen in terms of various applicable laws.

5. NAMES OF TEN LARGEST SHAREHOLDERS OF THE COMPANY – NUMBER AND PERCENTAGE OF SHARES HELD BY EACH OF THEM, THEIR INTEREST, IF ANY

Sr. No.	Name of Shareholders	Number of Equity Shares	% of share held
1	Birla Group Holdings Private Limited	23,66,19,965	19.390
2	IGH Holdings Private Limited	13,64,72,680	11.184
3	Grasim Industries Ltd	9,75,93,931	7.998
4	Flipkart Investments Private Limited	7,31,70,731	5.996
5	Caladium Investment Pte. Ltd.	6,58,00,866	5.392
6	Quant Mutual Fund - Quant Mid Cap Fund	5,61,90,433	4.605
7	Hindalco Industries Limited	5,02,39,794	4.117
8	Pilani Investment and Industries Corporation Limited	4,48,22,856	3.673
9	SBI Life Insurance Co. Ltd	2,71,53,233	2.225
10	Fidelity Securities Fund: Fidelity Blue Chip Growth Fund	2,37,20,498	1.944

Note: None of the above-mentioned shareholders have interest except promoters to the extent of their shareholding.

6. NAME AND DETAILS OF PROMOTER OF OUR COMPANY – EDUCATIONAL QUALIFICATIONS, EXPERIENCE, ADDRESS

Sr. No.	Name	Address	Educational Qualification and Experience
1.	Birla Group Holdings Private Limited	Industry House 1st Floor 159 Churchgate Reclamation, Mumbai, Maharashtra, India, 400020	NA

7. NAME AND DETAILS OF BOARD OF DIRECTORS (EXPERIENCE INCLUDING CURRENT/PAST POSITION HELD IN OTHER FIRMS)

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Ms. Ananyashree Birla DIN: 06625036 Date of Birth: July 17, 1994 Designation: Non- Executive Director Occupation: Professional Experience: Ms. Ananyashree Birla is a Non-Executive Director on the Board of our Company. She is a graduate from the University of Oxford with a bachelor’s degree. She is a distinguished businesswoman and a platinum selling artist with significant contributions across diverse business sectors. She’s the founder at Svatantra Microfin, the fastest growing, highly rated, second-largest microfinance organization in the country. As founder at Birla Cosmetics Private Limited, she oversees the company’s foray into colour cosmetics as part of its long-term vision to build a dynamic beauty portfolio. Ms. Birla serves as the global ambassador for NAMI, advocating the need for mental wellness. She is also the founder of the Ananya Birla Foundation that does pioneering research in mental health and social impact.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Svatantra Micro Housing Finance Corporation Limited 5. Svatantra Microfin Private Limited 6. Svatantra Online Services Private Limited 7. Antimatter Media Private Limited 8. Talk and Cheese Private Limited 9. Aditya Birla New Age Hospitality Private Limited 10. Ananya Birla Foundation 11. Chaitanya India Fin Credit Private Limited 12. Aditya Birla Management Corporation Private Limited. 13. Birla Cosmetics Private Limited 14. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms 1. Siddhipriya Enterprises LLP
Mr. Aryaman Vikram Birla DIN: 08456879 Date of Birth: July 9, 1997 Designation: Non- Executive Director Occupation: Business Experience: Mr. Aryaman Vikram Birla is a Non-Executive Director on the Board of our Company. He holds an MSc. Degree in Global Finance from Bayes Business School, London. He comes with diverse experiences including entrepreneurship, VC investing, and professional sport. He is closely involved with several businesses of the Aditya Birla Group. Aryaman has founded and is spearheading, Aditya Birla New Age Hospitality, the Group’s growing hospitality business as well as the venture capital fund, Aditya Birla Ventures, that invests in high-growth start-ups.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Aditya Birla New Age Hospitality Private Limited. 5. Aditya Birla New Age Restaurants and Cafe Private Limited. 6. Aditya Birla Digital Fashion Ventures Limited. 7. Aditya Birla Management Corporation Private Limited. 8. KA Hospitality Private Limited 9. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms Nil
Mr. Pankaj Sood DIN: 05185378 Date of Birth: July 11, 1976 Designation: Non- Executive Director Occupation: Service Experience: Mr. Pankaj Sood is a Non-Executive Director on the Board of our Company. He is a post-graduate from Indian Institute of Management Calcutta (1999). He has a Bachelor’s degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996). Mr. Sood heads the Private Equity (Direct Investments) business of GIC Singapore in India and Africa. He has over 26 years of experience in private equity and M&A transactions in India. Prior to GIC, he was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets	Companies 1. Mphasis Limited 2. Aditya Birla Fashion and Retail Limited 3. Bandhan Financial Holdings Limited 4. Bandhan Financial Services Limited 5. Ather Energy Private Limited 6. Singapore InvestCorp (India) Private Limited 7. SPORE Investment Management (India) Private Limited Partnership in firms Nil
Mr. Ashish Dikshit DIN: 01842066 Date of Birth: July 15, 1969 Designation: Managing Director Occupation: Service Experience: Mr. Ashish Dikshit is the Managing Director of our Company. He is also the managing director of Aditya Birla Fashion and Retail Limited. He holds a bachelor’s degree in electrical engineering from Indian Institute of Technology, Madras and a master’s degree in business administration from Indian Institute of Management, Bangalore. Mr. Dikshit has over 30 years of experience in diverse roles across industries and functions. He started his career at Asian Paints before moving to Madura Fashion and Lifestyle (MFL) Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He also served as the Principal Executive Assistant to the Chairman of Aditya Birla Group. He was appointed as President of MFL Division in 2007 and went on to become its CEO in 2012. He took over as the managing director of Aditya Birla Fashion and Retail Limited in February 2018	Companies 1. Jaypore E-Commerce Private Limited. 2. Goodview Fashion Private Limited 3. Indivinity Clothing Retail Private Limited 4. Finesse International Design Private Limited 5. Retailers Association of India 6. Aditya Birla Digital Fashion Ventures Limited 7. House of Masaba Lifestyle Private Limited 8. Novel Jewels Limited 9. Footwear Design and Development Institute 10. CLI Footwear and Accessories Private Limited. 11. Aditya Birla Fashion and Retail Limited. 12. Aditya Birla Management Corporation Private Limited Partnership in firms 1. Sabyasachi Calcutta LLP
Mr. Vishak Kumar DIN: 09078653 Date of Birth: June 23, 1972 Designation: Deputy Managing Director and Chief Executive Officer Occupation: Service Experience: Mr. Vishak Kumar is the Deputy Managing Director and Chief Executive Officer on the Board of our Company. He holds a bachelor’s degree in computer engineering from BIT Ranchi and a master’s degree in business administration from the Indian Institute of Management, Bangalore. He has 30 years of experience. He joined the Madura business in 1995 as a Management Trainee. During his 30 year long stint, he has worked across functions and occupied various roles in sales, marketing and retail. Prior to his stint as CEO of Madura, he was the CEO of Aditya Birla Retail Limited, where he was instrumental in transforming the “More” Supermarket and Hypermarket business.	Companies Nil Partnership in firms Nil
Mr. Arun Adhikari Kumar DIN: 00591057 Date of Birth: January 20, 1954 Designation: Independent Director Occupation: Retired Experience: Mr. Arun Kumar Adhikari is an Independent Director on the Board of our Company. He holds a bachelor’s degree in chemical engineering from the Indian Institute of Technology, Kanpur, and a master’s degree in business administration from Indian Institute of Management, Calcutta. Mr. Adhikari joined Hindustan Unilever Limited as Management Trainee in 1977 and was with Unilever through his full career. He retired from Unilever in January 2014 as Senior Vice-President for Unilever Laundry Category across Asia and Africa (Singapore). He has also worked with McKinsey & Company in India as Senior Advisor from May 2014 for 4 years	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Capital Limited 3. Hindalco Industries Limited 4. Voltas Limited 5. Aditya Birla Sun Life Insurance Company Limited 6. Voltbek Home Appliances Private Limited Partnership in firms Nil
Mr. Sunirmal Talukdar DIN: 00920608 Date of Birth: December 6, 1951 Designation: Independent Director Occupation: Retired Experience: Mr. Sunirmal Talukdar is an Independent Director on the Board of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He holds a bachelor’s degree in science from St. Xavier’s College, Calcutta University. Mr. Talukdar has over 3 decades of rich & comprehensive experience backed by benchmark competencies in the areas of Strategic & Tactical Planning, Mergers & Acquisitions, Risk Management, Public Reporting, Regulatory Compliance and Corporate Governance etc. He retired as Group Executive President and Chief Financial Officer of Hindalco Industries Limited in 2012. Afterwards he worked with Haldia Petrochemicals Limited as Head-F&A, EVP, and CFO from November 2016 to November 2018.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Heubach Colorants India Limited 3. Sasken Technologies Limited 4. Aditya Birla Real Estate Limited 5. Vodafone Idea Limited 6. Innvol Medical India Limited 7. Indivinity Clothing Retail Private Limited 8. Assam Carbon Products Limited Partnership in firms Nil
Mr. Nish Bhutani DIN: 03035271 Date of Birth: March 7, 1967 Designation: Independent Director Occupation: Business Experience: Mr. Nish Bhutani is an Independent Director on the Board of our Company. He holds a bachelor’s and master’s of science degree in engineering from Stanford University and a master’s degree in business administration from Harvard University. He has over 33 years of experience with digital and technology companies in Silicon Valley, the UK, and India. He is a founder & CEO of Indiginus Learning Pvt. Ltd. and he also a founder of Indiginus Inc.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Indiginus Learning Private Limited 3. Indiginus Inc. Indiginus Inc. Partnership in firms Nil
Ms. Preeti Vyas DIN: 02352395 Date of Birth: November 26, 1956 Designation: Independent Director Occupation: Business Experience: Ms. Preeti Vyas is an Independent Director on the Board of our Company. She is a Graduate from of National Institute of Design. Ms. Vyas is an independent entrepreneur and has steered Vyas Giannetti Creative to a top position in India as an independent Design and Communication Consultancy. She has been counted among 50 most influential women in India by Impact and Verve magazines, ranked as one of the top creative minds by the Economic Times and named one of the 25 most Powerful Women in Indian business by Business Today. She is also a member of Indian Design Council	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Real Estate Limited. 3. Birla Estates Private Limited 4. Novel Jewels Limited 5. Goodview Fashion Private Limited 6. Indivinity Clothing Retail Private Limited Partnership in firms 1. 3Sixty 2. Vyas Giannetti Creative LLP
Mr. Yogesh Chaudhary DIN: 01040036 Date of Birth: October 9, 1986 Designation: Independent Director Occupation: Carpet Business Experience: Mr. Yogesh Chaudhary is an Independent Director on the Board of our Company. He was a Management student from Boston College, USA. Mr. Chaudhary has immense entrepreneurial abilities and deep knowledge in the manufacturing business, leading Jaipur Rugs increase its global presence to 65 plus nations, from just two a decade ago. He is also a vital part of many prestigious associations such as Rajasthan Angel Investors network, Intellecap Impact Investment Network and Entrepreneurs Organization, to name a few.	Companies 1. Aditya Birla Fashion and Retail Limited. 2. Infurnia Holdings Limited 3. Goodview Fashion Private Limited 4. Tech Designworks Private Limited 5. Shyam Ahuja Private Limited 6. Marie-Anne Jaipur Private Limited 7. Jaipur Rugs Company Private Limited Partnership in firms 1. Balwana Ventures LLP 2. Asterlane Home LLP 3. Warmup Ventures LLP 4. Snspartans Management LLP 5. Marici Capital Advisors LLP 6. Warmup Venture Partners II LLP 7. Aspura Gallery LLP
Mr. Venkatesh Satyaraj Mysore DIN: 01401447 Date of Birth: December 30, 1958 Designation: Independent Director Occupation: Professional Experience: Mr. Venkatesh Satyaraj Mysore is an Independent Director on the Board of our Company. He holds a bachelor’s degree in marketing and finance and a master’s degree in business administration from the University of Madras. Mr. Mysore holds extensive experience in sports management, entertainment, and financial services. He is the CEO of The Knight Riders Group & Red Chillies Entertainment since 2010, leading the global expansion of the Knight Riders franchise in T20 cricket across multiple leagues. He played a key role in establishing MetLife India as its first CEO/ MD and securing its license through collaboration with IRDA.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Meer Foundation 3. TransAfrica Assurance Co Ltd – Kampala 4. TKR (St. Lucia) Ltd 5. TKR Trinidad Ltd 6. Knight Riders Sports USA Inc. 7. Knight Riders Sports Middle East–Sole Proprietorship LLC Partnership in firms 1. VVPAM Mysore LLP

8. BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Business Overview:

The Company was incorporated on April 9, 2024 as a wholly owned subsidiary of ABFRL. Pursuant to the effectiveness of Scheme on May 1, 2025, the MFL Business operated by ABFRL stands demerged, transferred and vested in our Company with the appointed date of April 1, 2024.

Aditya Birla Lifestyle Brands Limited (ABLBL) comprises of lifestyle brands who primarily play in the western wear segment with brands such as Louis Philippe, Van Heusen, Allen Solly and Peter England. It also includes youth wear brand such as American Eagle, sportswear brand Reebok and the innerwear business under Van Heusen.

Business Strategy:

Our strategic approach is aimed towards building a leadership position in large total addressable markets and high growth segments through distinct brands.

Lifestyle Brands are actively expanding into diverse categories and new consumer segments. Beyond men’s wear, these brands are making strategic in-roads into casual wear, non-apparel, kids wear, women’s wear, wedding wear and accessories, which are important for building product portfolio and driving growth through acquisition of new customers.

We have also identified key growth areas including innerwear, sportswear and youth wear, where we have already established a meaningful presence via brands Van Heusen, Reebok and American Eagle.

By expanding into new and white spaces within our existing markets, we are well-positioned for robust growth in the coming years. Our focus on digital transformation empowers us to remain agile and responsive in an ever-evolving retail landscape. Coupled with a holistic approach to innovation and product development, ABLBL is poised for exponential growth across all brands, further strengthening our presence in both mature and emerging markets.

9. REASONS FOR THE SCHEME OF ARRANGEMENT

The rationale of the Demerger envisaged in the Scheme is expected, inter-alia, to result in following benefits:

1. ABFRL runs a diverse portfolio of fashion brands and retail formats with key business segments comprising of Madura Fashion and Lifestyle and Pantaloons, Ethnic portfolio along with other new growth platforms;
2. The MFL Business has built a leadership position over a long period of time and has a proven track record of delivering consistent revenue growth, profitability, strong free cash flows and high return on capital. The Remaining Business of the Demerged Company comprises portfolio of multiple businesses; and
3. The Scheme is being proposed to separate MFL Business from the Remaining Business of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Demerged Company, Resulting Company and, their respective shareholders, employees, creditors and other stakeholders for the below reasons:
   (a) The distinctive profile and established business model of the MFL Business makes it suitable to be housed in a separately listed entity, allowing sharper strategic focus in pursuit of its independent value creation trajectory;
   (b) Result in better and efficient control and management for the segregated businesses, operational rationalization, organization efficiency and optimum utilization of various resources;
   (c) The Scheme would unlock value for the overall-business portfolio through price discovery of the individual entities for existing shareholders;
   (d) The Demerged Company will house multiple growth platforms across value and masstige retail, branded ethnic business, super premium and luxury retail formats and portfolio of digital brands and will chart its own growth journey;
   (e) The Scheme could lead to the right operating architecture for both companies with sharper focus on their individual business strategies and clear capital allocation, in alignment with their respective value creation journeys; and
   (f) Separately listed companies to attract specific set of investors for their business profile, and consequently, encourage stronger capital market outcomes.

10. RESTATED AUDITED FINANCIALS FOR THE PREVIOUS THREE FINANCIAL YEARS PRIOR TO THE DATE OF LISTING

The Company was incorporated on April 9, 2024. Since there is no prior year/ period for the purpose of restating the financial statements, the standalone and consolidated financial statements for financial year ended March 31, 2025 is reproduced here. There is no audit qualification made by the Auditors of the Company in the Auditor’s Report on the financial statements of the Company for the financial year ended March 31, 2025.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Standalone Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	508.28
(b) Capital work-in-progress	3b	11.69
(c) Right-of-use assets	4a	1,523.53
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Investment in a subsidiary	6a	35.00
(ii) Loans	7	0.48
(iii) Security deposits	8	176.51
(iv) Other financial assets	9	203.74
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.68
(i) Other non-current assets	11	53.75
Total - Non-current assets		**3,774.84**
II Current assets		
(a) Inventories	12	2,107.52
(b) Financial assets		
(i) Current investments	6b	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.13
(iv) Trade receivables	15	1,325.48
(v) Cash and cash equivalents	16	52.99
(vi) Bank balance other than Cash and cash equivalents	17	0.07
(vii) Other financial assets	18	76.06
(c) Other current assets	19	616.65
Total - Current assets		**4,401.82**
TOTAL - ASSETS		**8,176.66**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share suspense	21	1,220.26
(c) Other equity	21	73.59
Total - Equity		**1,293.90**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	1.04
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.20
(c) Other non-current liabilities	25	19.53
Total - Non-current liabilities		**2,352.03**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	850.18
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,029.42
(iv) Deposits		250.55
(v) Other financial liabilities	28	140.17
(b) Provisions	29	140.83
(c) Other current liabilities	30	567.35
Total - Current liabilities		**4,530.73**
TOTAL - EQUITY AND LIABILITIES		**8,176.66**
Basis of preparation	2	

Standalone Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

		Notes	Period ended March 31, 2025
I	Revenue from operations	31	7,829.73
II	Other income	32	77.27
III	**Total income (I + II)**		**7,907.00**
IV	**Expenses**		
	(a) Cost of materials consumed	33a	1,008.91
	(b) Purchase of stock-in-trade	33b	2,146.68
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
	(d) Employee benefits expense	34	899.91
	(e) Finance costs	35	376.95
	(f) Depreciation and amortisation expense	36	701.65
	(g) Rent expense	44a	764.70
	(h) Other expenses	37	1,678.27
	Total expenses		**7,717.48**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**189.52**
VI	Exceptional items	37a	(98.33)
VII	**Profit/(Loss) before Tax (V + VI)**		**91.19**
VIII	**Income tax expense**		
	(a) Current tax	38	-
	(b) Current tax relating to earlier years	38	-
	(c) Deferred tax	38	22.19
			22.19
IX	**Profit/(Loss) for the year (VII - VIII)**		**69.00**
X	**Other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.30)
	Income tax effect on above		1.08
	Total other comprehensive income for the year		**(3.22)**
XI	**Total comprehensive income for the year (IX + X)**		**65.78**
XII	**Earnings per equity share [Nominal value of share ₹ 10]**	**39**	
	Basic (₹)		0.57
	Diluted (₹)		0.57
	Basis of preparation	2	

Standalone Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025 No. of shares	As at March 31, 2025 ₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025 No. of shares	As at March 31, 2025 ₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

₹ in Crore

	Reserves and surplus			Other comprehensive income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note - 21)	Group share based payment reserve (Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	69.00	-	-	-	69.00	-
Other comprehensive income for the year	-	-	-	(3.22)	(3.22)	-
Pursuant to Composite Scheme	-	40.00	(33.68)	-	6.32	1,220.26
Capital contribution on Company share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**69.00**	**41.49**	**(33.68)**	**(3.22)**	**73.59**	**1,220.26**

Standalone Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		**91.19**
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	784.47
Finance costs	35	376.95
Gain on termination of right-of-use assets (Including exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/ discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(5.99)
Net Unrealised exchange (gain)/ loss		14.17
Interest income from financial assets at amortised cost	32	(42.10)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,232.05**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(385.26)
(Increase)/ decrease in inventories		93.76
(Increase)/ decrease in other assets		58.38
Increase/ (decrease) in trade payables		166.69
Increase/ (decrease) in provisions		27.42
Increase/ (decrease) in other liabilities		(56.22)
Cash generated from/ (used in) operations		**1,136.81**
Income taxes paid (net of refund)		(3.59)
Net cash flows from/ (used) in operating activities		**1,133.22**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(204.31)
(Purchase)/ proceeds from sale or redemption of current investments (net)		244.57
Proceeds from sale of property, plant and equipment and intangible assets		2.95
Interest received		6.00
Net cash flows from/ (used) in investing activities		**49.21**
Cash flows from financing activities		
Proceeds from issuance of equity share capital		0.05
Proceeds/ (repayments) of current borrowings (net)		(479.32)
Repayment of non-current borrowings		(11.23)
Repayment of lease liabilities		(453.25)
Interest payment on lease liabilities		(187.74)
Interest paid	35	(130.16)
Net cash flows from/ (used) in financing activities		**(1,261.65)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.22)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite Scheme		132.21
Cash and cash equivalents at the end of the year	**16**	**52.99**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.59
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**52.99**

Notes to the Standalone Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company is engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The standalone 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 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Standalone 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

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

The key assumptions concerning the future and other key sources of estimation, 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's assumptions and estimates are based on parameters available at the time of preparation of financial statements. 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.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Company uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Standalone Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Company provides for discount and sales return based on season wise, brand wise and channel wise trend. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Company:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

₹ in Crore

	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	44.00	297.38	201.56	55.50	264.17	27.73	26.87	923.13
Additions	-	0.18	28.96	51.62	12.17	81.64	10.09	18.28	202.94
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**5.92**	**44.18**	**321.00**	**233.32**	**57.11**	**319.30**	**34.94**	**40.79**	**1,056.56**
Depreciation									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.30	134.23	105.80	23.57	175.20	15.30	4.60	469.00
Depreciation for the year (Refer Note: 36)	-	1.47	21.52	42.32	12.23	53.11	7.12	7.87	145.64
Disposals	-	-	4.89	19.84	10.52	26.24	2.88	1.99	66.36
As at March 31, 2025	-	**11.77**	**150.86**	**128.28**	**25.28**	**202.07**	**19.54**	**10.48**	**548.28**
Net carrying value as at:									
March 31, 2025	**5.92**	**32.41**	**170.14**	**105.04**	**31.83**	**117.23**	**15.40**	**30.31**	**508.28**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	508.28
Total	**508.28**

Note:- The Company has received assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Property, plant and equipment are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note 48). Management will initiate the process to transfer these assets in the name of the Company.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	11.69
Total	**11.69**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	11.69	-	-	-	11.69
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Company is the lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Company is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	10.42	2,648.24	15.60	84.96	3.49	2,762.71
Additions	-	604.48	-	4.51	-	608.99
Termination	-	511.61	-	-	-	511.61
As at March 31, 2025	**10.42**	**2,741.11**	**15.60**	**89.47**	**3.49**	**2,860.09**
Depreciation						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.91	1,198.19	10.65	55.71	1.93	1,267.39
Depreciation for the year (Refer Note: 36)	0.13	477.79	3.09	17.35	0.68	499.04
Termination	-	429.87	-	-	-	429.87
As at March 31, 2025	**1.04**	**1,246.11**	**13.74**	**73.06**	**2.61**	**1,336.56**
Net carrying value as at:						
March 31, 2025	**9.38**	**1,495.00**	**1.86**	**16.41**	**0.88**	**1,523.53**

Note :- The Company has received Right-of use assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Right-of use assets are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note: 48). Management will initiate the process to transfer these assets in the name of the Company.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,523.53
Total	**1,523.53**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**
Note :- Lease liabilities Includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.	
Current	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note: 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.75	0.43	562.37	1,370.06
Additions	-	5.31	1.44	5.93	-	12.68
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.77**	**108.18**	**6.36**	**528.56**	**1,348.92**
Amortisation						
As at April 01, 2024						
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.49	0.27	59.41	125.67
Amortisation for the year (Refer Note - 36)	-	1.33	21.35	1.96	32.33	56.97
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.80	33.81
As at March 31, 2025	**64.38**	**7.83**	**80.83**	**2.23**	**76.38**	**231.65**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.94**	**27.35**	**4.13**	**452.18**	**1,117.27**

Note:- The Company has received intangible assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme (Refer Note:48).

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to acquisition upon aprrovel of the Scheme of Arrangement between the Company and Aditya Birla Fashion and Retail Limited by the NCLT on March 27, 2025. (Refer note 48)

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is invloved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprises operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21"" (""F21""), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores on September 30, 2024.

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the Madura Fashion & Lifestyle CGU

Value in use calculation of CGU:

The recoverable amount of the CGU as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of the CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of

continue to next page

debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

	Discount Rate
	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 (a) NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN EQUITY OF SUBSIDIARY

₹ in Crore

	As at March 31, 2025
(a) Investments in subsidiary	
Investments in subsidiaries: (Carried at cost)	
Unquoted equity instruments	
3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited (Refer Note - 1 below)*	35.00
Total	**35.00**
*Transfer of 3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited as per the Composite Scheme.	
(b) Current Investments (Carried at fair value through profit and loss (FVTPL))	
Quoted	
Investment in Mutual Fund schemes	117.18
Total	**117.18**
Aggregate book value of unquoted investments	35.00
Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Notes:

1. Aditya Birla Garments Limited (ABGL), a wholly owned subsidiary of the Company was incorporated on June 15, 2022 in compliance with the requirements of 'Operational Guidelines for the Production Linked Incentive (PLI) scheme for promoting Manmade fibre and Textile segments'. The Company has committed to provide support to fund the operations of ABGL in the forseeable future.
2. Folio of Mutual fund are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (refer note 48). Management will initiate the process to transfer these assets in the name of the Company.
3. The Company has received Mutual funds relating to Madura Fashion & lifestyle business pursuant to Composite Scheme.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans to employees	
Unsecured, considered good	0.48
Total	**0.48**

NOTE: 8 NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.51
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.51**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	0.49
Total	**203.74**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Standalone Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Standalone Balance Sheet		Standalone Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 Transferred pursuant to Composite Scheme (Refer note 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(93.90)	(31.99)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	33.95	(3.78)
Share-based payment	9.22	9.89	0.67
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	124.84	68.89
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.80)	(24.33)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**151.02**	**21.11**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	151.02
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note - 38)	(22.19)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note - 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17% .

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.65
Prepayments	5.51
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**53.75**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

See note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	233.07
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.09
Packing materials	5.07
Total	**2,107.52**

During the year ended March 31, 2025 ₹ Nil is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.13
Unsecured, considered doubtful	7.58
Expected credit loss	(7.58)
Total	**100.13**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.21
Trade receivables from related parties (Refer Note - 45)	151.34
	1,355.55
Less: Loss Allowances	(30.07)
Total	**1,325.48**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,265.08
	1,355.55

Aditya Birla Lifestyle Brands Limited

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Ageing of Trade Receivables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						
		Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,107.10	110.30	84.18	28.52	-	-	1,330.10
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii)	Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii)	Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
	Disputed	-	-	-	0.43	0.59	7.50	8.52
	Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix)	Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x)	Expected credit loss	-	-	-	-	-	-	(3.32)
	Total	**1,107.10**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,325.48**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	Expected credit loss (%)		
	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total	**-**	**-**	**581.55**

Impact is considered to be immaterial

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.59
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
As at the end of the year	**52.99**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.21	(79.22)	-	-	52.99
Current investments	361.75	244.57	-	(489.14)	117.18
Total (a)	**493.96**	**165.35**	**-**	**(489.14)**	**170.17**
Financing activities					
Non-current borrowings	1.99	(11.23)	-	10.28	1.04
Current borrowings (including current maturities of non-current borrowings)	1,339.78	(479.32)	-	(10.28)	850.18
Lease liabilities	1,904.30	(640.99)	-	716.95	1,980.26
Total (b)	**3,246.07**	**(1,131.54)**	**-**	**716.95**	**2,831.48**
Net debt (b-a)	**2,752.11**	**(1,296.89)**	**-**	**1,206.09**	**2,661.31**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.07
As at the end of the year	**0.07**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	15.90
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.06**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	22.95
Advance to suppliers	107.92
Export incentives	3.59
Balances with government authorities (other than income tax)	168.59
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**616.65**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2025		
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of shares held	% of paid-up share capital
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Company.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Reserves and surplus	
Retained earnings	
As at the beginning of the year	-
Profit/(Loss) for the period	69.00
As at the end of the year	**69.00**
Group share options outstanding account	
As at the beginning of the year	-
Pursuant to Composite Scheme	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Pursuant to Composite Scheme	(33.68)
As at the end of the year	**(33.68)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Gains/ (losses) during the period	(3.22)
As at the end of the year	**(3.22)**
Total	**1,293.85**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	1,220.26
Reserves and surplus	
Retained earnings	69.00
Group share options outstanding account	41.49
Capital reserve	(33.68)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.22)
Total	**1,293.85**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite Scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Share options outstanding account**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   This reserve is created against the difference in the net assets transferred and issuance of equity share capital in effect to the Composite Scheme. The reserve will be utilised in accordance with the provision of the Act.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Term loan from others			
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**1.04**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	1.43
Total (included in Current Borrowings)			**500.71**
*Net off unamortised charges			
Aggregate secured borrowings			-
Aggregate unsecured borrowings			501.75

Note:-

(i) The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initiate the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Company.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to ₹ 1.92 Crore is repayable in monthly instalments till June 2026.

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note - 41)	9.87
Stock Appreciation Rights (SAR)	12.33
Total	**22.20**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	19.53
Total	**19.53**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note - 22)	500.71
Total current borrowings	**850.18**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,029.42
Total	**2,118.27**

*Includes payables to related parties (Refer Note: 45).

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

₹ in Crore

		As at March 31, 2025
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
	Principal amount due to Micro and Small Enterprises*	101.57
	Interest due on the above	0.24
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c.	The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 12.96 Crore as at March 31, 2025 .

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	84.32	4.05	-	0.00	0.03	88.40
(ii)	Others	971.15	973.44	65.80	4.97	12.52	2,027.88
(iii)	Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv)	Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	24.77
Derivative contracts	4.96
Employee Payable	102.62
Liability towards license rights	1.41
Total	**140.17**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	57.27
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note: 44)	50.02
Total	**140.83**

Movement of provision for pending litigations during the period:

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	53.09
Add: provision made during the period	0.78
Less: provision utilised during the period	(3.03)
Less: provision reversed during the period	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.15
Statutory dues (other than income tax)	36.36
Refund liabilities	499.11
Total	**567.35**

*** Deferred revenue**

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.55
Deferred during the period	46.29
Released to the Standalone Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

· Identify the contract with a customer;

continue to next page

- 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 from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the number of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Cpmpany's brand name. Revenue is recognised over time based on the terms of contracts with the customer

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	Period ended March 31, 2025
Revenue from sale of products	
Sale of products	7,747.46
Revenue from redemption of loyalty points (Refer Note: 30)	45.47
Total revenue from sale of products	**7,792.93**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.13
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.73**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,325.48
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.70
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(d) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss:

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.70
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(e) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.67
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	5.99
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note: 43a)	6.99
Miscellaneous income	19.60
Total	**77.27**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,055.89
	1,241.98
Less: Inventories at the end of the year	233.07
Total	**1,008.91**

₹ in Crore

	As at March 31, 2025
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	2,146.68
Total	**2,146.68**

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

₹ in Crore

	As at March 31, 2025
Opening inventories	
Finished goods	419.01
Stock-in-trade	1,568.20
Work-in-progress	20.49
	2,007.70
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	771.93
Contribution to provident and other funds (Refer Note: 41)	53.41
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.22
Staff welfare expenses	42.59
Total	**899.91**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	94.19
Interest on deposit	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**376.95**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	145.64
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.04
Amortisation on intangible assets (Refer Note: 5)	56.97
Total	**701.65**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.25
Power and fuel	15.65
Electricity charges	71.23
Repairs and maintenance	
Buildings	0.01
Plant and machinery	0.71
Others	165.10
Insurance	6.54
Rates and taxes	15.05
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	120.94
Royalty expenses	14.10
Legal and professional	97.81
Bad debts written off	0.86
Provision for bad and doubtful debts and advances	1.68
Printing and stationery	9.27
Travelling and conveyance	85.29
Bank and credit card charges	31.43
Payment to auditors (Refer details below)	1.51
Postage expenses	6.67
Foreign exchange loss (net)	16.10
Information technology	109.34
Outsourcing, housekeeping and security	429.94
Miscellaneous	43.08
Total	**1,678.27**

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.20
For tax audit fees	0.15
For other services	0.04
For reimbursement of expenses	0.12
Total	**1.51**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Standalone Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	-
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		22.19
	(B)	**22.19**
Total	(A+B)	**22.19**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**91.19**
Tax expense/ (income) at statutory income tax rate of 25.17%	**22.95**
Reconciling items:	
Expenses disallowed for tax purposes	0.47
Others	(1.23)
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**22.19**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss		69.00
Profit/(Loss) for calculation of EPS	(A)	**69.00**
Weighted average number of equity shares for calculation of Basic EPS	(B)	1,22,02,60,946
Profit / (Loss) per share - basic (₹)	(A/B)	**0.57**
Weighted average number of equity shares outstanding		1,22,02,60,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,22,02,60,946
Diluted EPS (₹)	(C)	**0.57**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Requirements of Section 135 of the Companies Act, 2023 are not applicable to the Company during the period ended March 31, 2025.

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vest after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, the liability has been bifurcated into funded and unfunded. The gratuity plan in the Company funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Company.

The Company has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and Standalone Balance Sheet.

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/ (deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing defined benefit obligation	**82.96**

Amounts recognised in the Standalone Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

The principal assumptions used in determining gratuity liability for the Company are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	6.70%
Salary escalation rate	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	(3.66)	3.93
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	3.91	(3.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.05
Between 2 and 5 years	35.74
Between 6 and 10 years	38.34
Beyond 10 years	97.52
Total	**182.65**

The Company is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	38.09
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	6.67
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Superannuation Fund	0.60
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.87
Total	**53.41**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment transactions	1.49
Expense arising from cash-settled share-based payment transactions	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below :-

	Option SARs	RSU SARs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-		-	
Transfer pursuant to Composite Scheme	3,88,363	164.23	84,976	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	**-**		**-**	
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors (""Board"") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 (""Scheme 2019""), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees. Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019

	Option SARs	RSU SARs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/ at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below :

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	14,78,113	209.50	2,47,625	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below :

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting	Bullet vesting
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	**Weighted average exercise price (₹ per share)**	**No. of RSU SARs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-		-	
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	1,813,089	578,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	1,813,089	317.93	578,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Unvested at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs as on grant date during the year:

	Options	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Company has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Company has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both

Expenses/ Income recognised in the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.04
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Standalone Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.19
Total	**2,121.59**

The initial non-cancellable period of the lease agreement pertaining to stores are upto 3 years, beyond which there is an option for the Company to continue the lease, which the Company expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term of the stores. Post such period, the Company has the option to exit the lease by giving a notice period and the Company assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.26 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	39.87
Total	**39.87**

c) Other commitments

As at March 31, 2025, the Company has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	March 31, 2025
Claims against the Company not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	3.55
Textile committee cess	0.75
Others*	2.71
Total	**7.61**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Company's pending litigations comprise of claims against the Company primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for commercial taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Company has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025

Note :- As per the approved Composite Scheme of Arrangement, the Company has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025) *

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Wholly owned subsidiary

Aditya Birla Garments Limited

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Director with effect from April 09, 2024

Mr. Anil Malik- Director with effect from April 09, 202

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	241.45	-	-
Reimbursement of expenses recovered from	0.65	-	-
Purchase of goods	69.57	-	-
Reimbursement of expenses paid to	121.18	-	-
Production services given	11.21	-	-
Purchase of capital item	0.07	-	-
Transfer of Post-employment liabilities	0.86	-	-

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.44	-	-
Amounts owed by related parties	151.34	-	-

Note:-

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes:15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	112,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	375,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	260,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	171,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	170,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	406,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	246,340
Total				**1,810,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	113,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**460,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Level 1	Fair value Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.64	276.64	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,325.48	1,325.48	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	52.99	52.99	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.07	0.07	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	279.80	279.80	-	-	-
Total	**117.18**	**-**	**1,941.20**	**2,058.38**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	1.04	1.04	-	-	-
Current borrowings (Refer Note - 26)	-	-	850.18	850.18	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,118.27	2,118.27	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	653.25	653.25	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,147.59**	**4,152.55**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

The investments made in a subsidiary as at March 31, 2025 is ₹ 35 Crore and is measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Company, pursuant to the demerger.

b) Investment:

i) Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Company's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	(1.65)	1.65
Increase/ (decrease) in Profit/ loss after tax	(1.23)	1.23

The assumed movement in interest rates for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The Company manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Company has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Standalone Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	4.97	433.08

The details of unhedged foreign currency exposure as at the Standalone Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Company's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company only deals with parties which has good credit rating given by external rating agencies or based on the Company's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Standalone Statement of Profit and Loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Company has 24 customers that owed the Company more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 99.88% of the Company's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to various sources of funding.

The below tables summarises the maturity profile of the Company's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	888.65	1.04	-	889.69
Lease liabilities	566.20	1,188.20	367.19	2,121.59
Other financial liabilities	190.74	236.76	911.76	1,339.26
Deposits	250.55	274.30	-	524.85
Trade payables	2,118.27	-	-	2,118.27
Total	**4,014.41**	**1,700.30**	**1,278.95**	**6,993.66**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March 31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	850.18
Long-term debts	1.04
Total borrowings	**851.22**
Equity (including share suspense)	1,293.90

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

NOTE 48: BUSINESS COMBINATION

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger. Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024. Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	454.13
Capital work-in-progress	17.74
Goodwill	692.05
Other intangible assets	552.34
Right to use	1,495.32
Financial assets	
(i) Investment in equity of a subsidiary	35.00
(ii) Loans	0.41
(iii) Security deposits	180.20
(iv) Other financial assets	197.55
Deferred tax assets (net)	151.02
Non-current tax assets (net)	11.09
Other non-current assets	39.74
Total - Non-current assets	**3,826.59**
Current assets	
Inventories	2,201.29
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.49
(iii) Security deposits	70.66
(iv) Trade receivables	940.96
(v) Cash and cash equivalent	132.21
(vi) Bank balance other than above	0.05
(vii) Other financial assets	79.12
Other current assets	662.05
Total - Current assets	**4,455.58**
TOTAL - ASSETS - A	**8,282.17**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1.99
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	506.17
Provisions	7.42
Other non-current liabilities	19.69
Total - Non-current liabilities	**2,204.46**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,339.78
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	64.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,886.03
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	116.15
Provisions	128.62
Other current liabilities	558.57
Total - Current liabilities	**4,851.13**
Total - Liabilities - B	**7,055.59**
Net Assets - C (A - B)	**1,226.58**

Against the net assets of ₹ 1,226.58 Crore, the Company has created share suspense and share based payment reserve of ₹1220.26 crore and ₹40.00 Crore respectively and the balance of ₹(33.68) Crore has been recognised as Capital reserve

NOTE - 49 RATIO DISCLOSURES

	As at March 31, 2025	Reasons for variance more than 25%
Current ratio (times)1	1.08	Refer note below
Debt equity ratio (times)2	0.39	
Debt service coverage ratio (times)3	1.52	
Return On Equity (%)4	5.48%	
Inventory turnover (times)5	3.63	
Debtors turnover (times)6	6.91	
Trade Payables turnover (times)7	1.57	
Net capital turnover (times)8	5.97	
Net profit margin (%)9	0.88%	
Return On Average Capital Employed (%)10	10.88%	
Return On Investment (%)11	5.69%	

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity

   Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments

   Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

    * Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

Note:

1. The Ratio have been calculated considering the assets and liabilities acquired by the company pursuant to the scheme of arrangement as opening assets and liabilities.
2. The Company was incorporated on April 09, 2024. This is the first financial statements of the Company. Accordingly, explanation of reason for variance more than 25% is not applicable in the current year.

NOTE - 50 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The company's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Standalone 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.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

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, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Standalone Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone 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 Standalone Statement of Profit and Loss are also reclassified in OCI or the Standalone Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) 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 Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Company had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Standalone Statement of Profit and Loss are recognised outside the Standalone 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Standalone 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 Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Standalone Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Standalone Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) 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 Standalone 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 are recognised in the Standalone 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 Standalone 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.

(j) 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 and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Standalone Statement of Profit and Loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Call options over shares in the acquired subsidiary is initially recognised as a financial asset at fair value, with subsequent changes in fair value recognised in the standalone statement of profit and loss.

(iv) Equity investments

Investment in Subsidiaries is out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries its carrying value, and then recognises the impairment loss in the standalone statement of profit and loss.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Standalone Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Standalone Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognises financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks and options contract in accordance with agreement. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Standalone Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the Standalone Statement of Profit and Loss when the hedge item affects the Standalone Statement of Profit and Loss or treated as basis adjustment, if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (Refer Note – 44).

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. The gratuity plan is funded (maintained by an independent insurance company) hence the liability has been categorized as funded. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

During the period, the Company was not granted working capital loans secured by current assets; therefore, it was not required to file quarterly statements with any banks or financial institutions.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries."

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

In accordance with the Scheme of Arrangement, the Company has assumed unsecured borrowings from the Demerged Company and, as a result, is not required to register charges with the Registrar of Companies.

NOTE - 53 Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

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THE CONSOLIDATED FINANCIAL STATEMENTS / INFORMATION ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Consolidated Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	638.54
(b) Capital work-in-progress	3b	13.00
(c) Right-of-use assets	4a	1,524.37
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Loans	7	0.48
(ii) Security deposits	8	176.73
(iii) Other financial assets	9	204.67
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.76
(i) Other non-current assets	11	54.05
Total - Non-current assets		**3,873.78**
II Current assets		
(a) Inventories	12	2,108.82
(b) Financial assets		
(i) Current investments	6	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.15
(iv) Trade receivables	15	1,322.05
(v) Cash and cash equivalents	16	53.06
(vi) Bank balance other than cash and cash equivalents	17	0.59
(vii) Other financial assets	18	76.16
(c) Other current assets	19	621.50
Total - Current assets		**4,405.25**
TOTAL - ASSETS		**8,279.03**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share Suspense	21	1,220.26
(c) Other equity	21	56.22
Total - Equity		**1,276.53**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	77.44
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.71
(c) Other non-current liabilities	25	26.02
Total - Non-current liabilities		**2,435.43**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	874.75
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,032.21
(iv) Deposits		250.55
(v) Other financial liabilities	28	147.36
(b) Provisions	29	141.64
(c) Other current liabilities	30	568.07
Total - Current liabilities		**4,567.07**
TOTAL - EQUITY AND LIABILITIES		**8,279.03**
Basis of preparation	2	

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

Consolidated Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
I Revenue from operations	31	7,829.96
II Other income	32	77.71
III Total income (I + II)		**7,907.67**
IV Expenses		
(a) Cost of materials consumed	33a	1,010.33
(b) Purchase of stock-in-trade	33b	2,121.28
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
(d) Employee benefits expense	34	918.42
(e) Finance costs	35	382.00
(f) Depreciation and amortisation expense	36	705.73
(g) Rent expense	43a & 4a	764.70
(h) Other expenses	37	1,683.06
Total expenses		**7,725.93**
V Profit/(Loss) before exceptional items and tax (III - IV)		**181.74**
VI Exceptional items	37a	(98.33)
VII Profit/(Loss) before Tax (V + VI)		**83.41**
VIII Income tax expense		
(a) Current tax	38	-
(b) Current tax relating to earlier years	38	-
(c) Deferred tax	38	23.81
		23.81
IX Profit/(Loss) for the year (VII - VIII)		**59.60**
X Other comprehensive income		
Items that will not be reclassified to profit or loss		
(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.37)
Income tax effect on above		1.08
Total other comprehensive income for the year		**(3.29)**
XI Total comprehensive income for the year (IX + X)		**56.31**
XII Earnings per equity share [Nominal value of share ₹ 10]	**39**	
Basic (₹)		0.49
Diluted (₹)		0.49
Basis of preparation	2	

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

Consolidated Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

	Reserves and surplus			Other Comprehensive Income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note-21)	Group share based payment reserve(Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	59.60	-	-	-	59.60	-
Other comprehensive income for the year				(3.29)	(3.29)	
Pursuant to Composite scheme	-	40.00	(41.58)	-	(1.58)	1,220.26
Capital contribution on Group share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**59.60**	**41.49**	**(41.58)**	**(3.29)**	**56.22**	**1,220.26**

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

Consolidated Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		83.41
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	788.55
Finance costs	35	382.00
Gain on termination of right-of-use assets (Including Exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(6.08)
Net gain on current investments (including on redemption)	32	(0.07)
Net Unrealised exchange (gain)/ loss		14.03
Interest income from financial assets at amortised cost	32	(44.68)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,230.52**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(376.81)
(Increase)/ decrease in inventories		92.53
(Increase)/ decrease in other assets		57.21
Increase/ (decrease) in trade payables		166.32
Increase/ (decrease) in provisions		26.52
Increase/ (decrease) in other liabilities		(48.57)
Cash generated from/ (used) in operations		**1,147.72**
Income taxes paid (net of refund)		(3.55)
Net cash flows from/ (used) in operating activities		**1,144.17**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(246.48)
Proceeds from sale of property, plant and equipment and intangible assets		2.95
(Purchase)/proceeds from sale or redemption of current investments (net)		244.64
Interest received		5.84
Net cash flows from/ (used) in investing activities		**6.95**
Cash flows from financing activities		
Proceeds from issue of equity shares		0.05
Proceeds from non-current borrowings (net off charges)		37.21
Proceeds/ (repayments) of current borrowings (net)		(478.71)
Repayment of non-current borrowings		(11.83)
Repayment of lease liabilities		(453.22)
Interest paid on lease liabilities		(187.74)
Interest paid	35	(136.17)
Net cash flows from/ (used) in financing activities		**(1,230.41)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.29)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite scheme (Refer note: 48)		132.35
Cash and cash equivalents at the end of the year	**16**	**53.06**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.66
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**53.06**

Notes to the Consolidated Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company" or "the Holding Company), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company and its subsidiaries (together referred as the "Group") are engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The Consolidated financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, 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 Group's assumptions and estimates are based on parameters available at the time of preparation of financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Consolidated Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Group:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

2.6 Principles of consolidation

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiary. Subsidiary is the entity controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110) notified under Section 133 of the Companies Act, 2013. The Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 6 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

Property, Plant and Equipment

₹ in Crore

Cost	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	66.50	323.76	201.56	55.93	265.04	27.98	27.13	973.82
Additions	0.26	44.41	65.41	51.62	12.60	83.38	11.29	18.28	287.25
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**6.18**	**110.91**	**383.83**	**233.32**	**57.97**	**321.91**	**36.39**	**41.05**	**1,191.56**
Depreciation									
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.36	134.62	105.80	23.64	175.35	15.35	4.61	469.73
Depreciation for the year (Refer Note: 36)	-	2.75	23.44	42.32	12.38	53.51	7.36	7.92	149.68
Disposals	-	-	4.89	19.84	10.52	26.27	2.88	1.99	66.39
As at March 31, 2025	-	**13.11**	**153.17**	**128.28**	**25.50**	**202.59**	**19.83**	**10.54**	**553.02**
Net carrying value as at:									
March 31, 2025	**6.18**	**97.80**	**230.66**	**105.04**	**32.47**	**119.32**	**16.56**	**30.51**	**638.54**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	638.54
Total	**638.54**

Note: The Group has received assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Property, Plant and Equipment are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to the transfer these assets in the name of the Holding Company or its Subsidiary.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	13.00
Total	**13.00**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	13.00	-	-	-	13.00
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Group is the lessee

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Consolidated Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Group is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipmen	Computers	Furniture and fixtures	Office equipment	Total
Cost							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	11.33	2,648.24	15.60	-	84.96	3.49	2,763.62
Additions	-	604.48	-	-	4.51	-	608.99
Termination	-	511.61	-	-	-	-	511.61
As at March 31, 2025	**11.33**	**2,741.11**	**15.60**	-	**89.47**	**3.49**	**2,861.00**
Depreciation							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.96	1,198.19	10.65	-	55.71	1.93	1,267.44
Depreciation for the year (Refer Note: 36)	0.16	477.78	3.09	-	17.35	0.68	499.06
Termination	-	429.87	-	-	-	-	429.87
As at March 31, 2025	**1.12**	**1,246.10**	**13.74**	-	**73.06**	**2.61**	**1,336.63**
Net carrying value as at:							
March 31, 2025	**10.21**	**1,495.01**	**1.86**	-	**16.41**	**0.88**	**1,524.37**

Note:The Group has received Right-of-use assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Right-of-use assets are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to transfer these assets in the name of the Holding Company or its Subsidiary.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,524.37
Total	**1,524.37**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**

Note: Lease liabilities includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.

Curren	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note - 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis

continue to next page

Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchise rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.81	0.43	562.37	1,370.12
Additions	-	5.29	1.44	5.93	-	12.66
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.75**	**108.24**	**6.36**	**528.56**	**1,348.96**
Amortisation						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.51	0.27	59.39	125.67
Amortisation for the year (Refer Note:36)	-	1.33	21.36	1.96	32.34	56.99
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.78	33.79
As at March 31, 2025	**64.38**	**7.83**	**80.86**	**2.23**	**76.39**	**231.69**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.92**	**27.38**	**4.13**	**452.17**	**1,117.27**

Note: The company has received Intangible assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. (Refer Note:48)

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to approval of the scheme of arrangement between the Company and Aditya Birla Fashion and Retail Limited (Demerged Company) by the NCLT on March 27, 2025 (Refer Note:48).

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is involved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprising of operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21" ("F21"), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores during the period ended September 30, 2024

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of Madura Fashion and Lifestyle CGUs:

The recoverable amount of the CGUs as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Holding Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

Discount Rate

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 Current Investments

₹ in Crore

	As at March 31, 2025
Current Investments (Carried at fair value through profit and loss (FVTPL)	
Quoted investments	
Investment in Mutual Fund Schemes	117.18
Total	**117.18**
Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Note:

(i) The Group has received Mutual Funds relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme.

(ii) Folio of Mutual Funds are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Group) (Refer Note:48). Management will initiate the process to transfer these Mutual Funds in the name of the Group.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	0.48
Total	**117.18**

NOTE: 8NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.73
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.73**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	1.42
Total	**204.67**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Consolidated Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 transferred pursuant to Composite Scheme (Refer Note: 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(94.35)	(32.44)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	34.16	(3.57)
Share-based payment	9.22	9.88	0.66
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	126.70	70.75
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.79)	(24.32)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**152.64**	**22.73**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**152.64**
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note: 38)	(23.81)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note: 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17%

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.88
Prepayments	5.58
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**54.05**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is

Aditya Birla Lifestyle Brands Limited

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determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

Refer note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	234.24
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.22
Packing materials	5.07
Total	**2,108.82**

During the year ended March 31, 2025 ₹ 0 is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.15
Unsecured, considered doubtful	7.58
Provision for doubtful deposits	(7.58)
Total	**100.15**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.42
Trade receivables from related parties (Refer Note:45)	147.70
	1,352.12
Less: Loss Allowances	(30.07)
Total	**1,322.05**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,261.66
	1,352.13

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,103.67	110.30	84.18	28.52	-	-	1,326.67
(ii) Undisputed Trade Receivables – considered doubtful		-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii) Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
Disputed	-	-	-	0.43	0.59	7.50	8.52
Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix) Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x) Expected credit loss	-	-	-	-	-	-	(3.32)
Total	**1,103.67**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,322.05**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally ranges between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total		**-**	**581.55**

Impact is considered to be immaterial.

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.66
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
Total	**53.06**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.35	(79.30)	-	-	53.06
Current investments	361.75	(244.64)	-	0.07	117.18
Total (a)	**494.10**	**(323.94)**	**-**	**0.07**	**170.24**
Financing activities					
Non-current borrowings	60.03	25.38	-	(7.97)	77.44
Current borrowings (including current maturities of non-current borrowings)	1,345.50	(478.71)	-	7.96	874.75
Lease liabilities	1,904.30	(640.96)	-	716.92	1,980.26
Total (b)	**3,309.83**	**(1,094.29)**	**-**	**716.91**	**2,932.45**
Net debt (b-a)	**2,815.73**	**(770.35)**	**-**	**716.84**	**2,762.21**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.59
Total	**0.59**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	16.00
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.16**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	**23.27**
Advance to suppliers	107.97
Export incentives	3.59
Balances with government authorities (other than income tax)	173.07
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**621.50**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters	As at March 31, 2025	
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of Shares	% of total shares
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Group.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Retained earnings	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Profit/(Loss) for the period	59.60
As at the end of the year	**59.60**

Group share based payment reserve

₹ in Crore

	As at March 31, 2025
As at the beginning of the year	**-**
Transferred pursuant to Composite Scheme (Refer Note: 48)	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	(41.58)
As at the end of the year	**(41.58)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Gains/ (losses) during the year	(3.29)
As at the end of the year	**(3.29)**
Total	**1,276.48**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	**1,220.26**
Reserves and surplus	
Retained earnings	59.60
Group share based payment reserve	41.49
Capital reserve	(41.58)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.29)
Total	**1,276.48**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Group share based payment reserve**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   Capital reserve represents difference between the carrying amount of net assets transferred to the Company and face value of shares issued, pursuant to a Scheme of arrangement between the Company and Aditya Birla Fashion & Retail Limited, approved by NCLT on March 27, 2025.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore

	Effective interest rate % p.a.	Maturity	As at March 31, 2025
Term loans from banks			
Term Loan from Axis Bank (Secured)[2]	8.44%	September 30, 2028	76.40
Term loan from others			
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**77.44**
Current maturities of long-term borrowings			
	Effective interest rate % p.a.	**Maturity**	**As at March 31, 2025**
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Term Loan from Axis Bank (Secured)[2]	2 8.44%	September 30, 2028	24.57
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	1.43
Total (included in Current Borrowings)			**525.28**
*Net off unamortised charges			
Aggregate secured borrowings			100.97
Aggregate unsecured borrowings			501.75

Note:

(i) The borrowings above have been transferred to the Group pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initiate the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Holding Company or its Subsidiary.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to 1.92 Crore is repayable in monthly instalments till June 30, 2026.
2. An amount of ₹ 145 Crore was sanctioned by Axis Bank. The loan is repayable in 15 structured quarterly instalments beginning after 15 months from the date of first disbursement of the loan. The final instalment is due for repayment in September 2028. The borrowing is secured by way of a charge on the movable assets (including book debts) of Aditya Birla Garments Limited (a Subsidiary of the Holding Company).

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note:41)	10.38
Stock Appreciation Rights (SAR)	12.33
Total	**22.71**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	26.02
Total	**26.02**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note: 22)	525.28
Total	**874.75**
Aggregate secured borrowings	24.57
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

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NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,032.21
Total	**2,121.32**

*Includes payables to related parties (Refer Note:45).

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

₹ in Crore

	As at March 31, 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
Principal amount due to Micro and Small Enterprises*	102.03
Interest due on the above	0.24
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c. The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 13.16 Crore as at March 31, 2025

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	86.28	2.35	-	0.00	0.03	88.66
(ii) Others	972.77	974.61	65.80	4.97	12.52	2,030.67
(iii) Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv) Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	30.26
Derivative contracts	4.96
Employee Payable	104.32
Liability towards license rights	1.41
Total	**147.36**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	58.05
Provision for gratuity (Refer Note:41)	0.03
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note:44)	50.02
Total	**141.64**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme	**53.09**
Add: provision made during the year	0.78
Less: provision utilised during the year	(3.03)
Less: provision reversed during the year	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.44
Statutory dues (other than income tax)	36.79
Refund liabilities	499.11
Total	**568.07**

*** Deferred revenue:**

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme (Refer note:48)	**5.55**
Deferred during the year	46.29
Released to the Consolidated Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme invoked by the respective businesses. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

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

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them to purchase goods in the future as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the number of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Group's brand name. Revenue is recognised over time based on the terms of contracts with the customer.

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	As at March 31, 2025
Revenue from sale of products	
Sale of products	7,747.66
Revenue from redemption of loyalty points (Refer Note:30)	45.47
Total revenue from sale of products	**7,793.13**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.16
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.96**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,322.05
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.93
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(d) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.93
	7,829.96
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(e) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.90
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	6.08
Net gain on investment in mutual funds (including on redemption)	0.07
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note:43a)	6.99
Miscellaneous income	19.88
Total	**77.71**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,058.48
	1,244.57
Less: Inventories at the end of the year	234.24
Total	**1,010.33**
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	2,121.28
Total	**2,121.28**
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	
Opening inventories	419.01
Finished goods	1,568.20
Stock-in-trade	20.49
Work-in-progress	
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	787.50
Contribution to provident and other funds (Refer Note: 41)	55.22
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.43
Staff welfare expenses	43.51
Total	**918.42**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	99.24
Interest on deposits	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**382.00**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	149.68
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.06
Amortisation on intangible assets (Refer Note: 5)	56.99
Total	**705.73**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.43
Power and fuel	16.54
Electricity charges	72.09
Repairs and maintenance	
Buildings	0.02
Plant and machinery	0.76
Others	165.33
Insurance	6.73
Rates and taxes	15.12
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	121.31
Royalty expenses	14.10
Legal and professional	98.16
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.38
Travelling and conveyance	86.42
Bank and credit card charges	31.47
Payment to auditors (Refer details below)	1.64
Postage expenses	6.67
Foreign exchange loss (net)	15.96
Information technology	109.34
Outsourcing, housekeeping and security	430.23
Miscellaneous	43.11
Total	**1,683.06**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.31
For tax audit fees	0.16
For other services	0.05
For reimbursement of expenses	0.12
Total	**1.64**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Consolidated Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	-
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		23.81
	(B)	23.81
Total	(A+B)	**23.81**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**83.41**
Tax expense/ (income) at statutory income tax rate of 25.17%	**20.99**
Reconciling items:	
Expenses disallowed for tax purposes	0.48
Others	2.34
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**23.81**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss (A)		59.60
Profit/(Loss) for calculation of EPS	**(A)**	**59.60**
Weighted average number of equity shares for calculation of Basic EPS*	(B)	1,220,260,946
Profit / (Loss) per share - basic (₹)	**(A/B)**	**0.49**
Weighted average number of equity shares outstanding		1,220,260,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,220,260,946
Diluted EPS (₹)	**(C)**	**0.49**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Group's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

The additional information required by Ind AS 108 is as below :-

₹ in Crore

(a) Revenue from customer (based on geographical location of customers) :	Period ended March 31, 2025
India	180.06
Outside India	7,649.90
Total	**7,829.96**

₹ in Crore

(b) Location of non - current assets (excluding deferred tax assets):	Year ended March 31, 2025
India	3,743.88
Outside India	-
Total	**3,743.88**

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Group funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Holding Company.

The Group has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Total	**0.21**

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	0.24
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	0.03
Experience adjustments	0.04
Actuarial (gain)/ loss recognised in OCI	0.07
Benefits paid	(0.01)
Closing defined benefit obligation	**0.51**

Funded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/(Deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing fair value of the plan assets	**82.96**

Amounts recognised in the Consolidated Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Unfunded	0.51
Liability	**0.51**
Net liability is classified as follows:	
Current	-
Non-current	0.51
Net liability - Funded	**0.51**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	
Funded plan & Unfunded plan	6.70%
Salary escalation rate	
Funded plan & Unfunded plan	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	(3.66)	3.93
Unfunded plan	(0.03)	0.03
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	3.91	(3.68)
Unfunded plan	0.03	(0.03)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.08
Between 2 and 5 years	35.91
Between 6 and 10 years	38.54
Beyond 10 years	98.46
Total	**183.99**

The Group is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary

continue to next page

contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	39.55
Contribution to Superannuation Fund	0.60
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	7.02
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.86
Total	**55.22**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements	1.49
Expense arising from cash-settled share-based payment arrangements	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below:

	Options	RSUs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**3,88,363**	**164.23**	**84,976**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	-	-	-	-
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors ("Board") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019"), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019 are as below:

	Options	RSUs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**14,78,113**	**209.50**	**2,47,625**	**10.00**
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	**-**
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below:

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting over 2 to 3 years	Bullet vesting at the end of 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-		-	
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years.

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	18,13,089	5,78,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end of 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-		-	
Granted during the financial year	18,13,089	317.93	5,78,610	10.00
Exercised during the financial year^	-		-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Unvested at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs issued during the year:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

	Option SARs	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR Options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Group has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

Expenses/ Income recognised in the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.06
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Consolidated Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.22
Total	**2,121.62**

The initial non-cancellable period of the lease agreement pertaining to stores are up to 3 years, beyond which there is an option for the Group to continue the lease, which the Group expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term. Post such period, the Group has the option to exit the lease by giving a notice period and the Group assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.23 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note: 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	As at March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual store, up to 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurred.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	42.37
Total	**42.37**

Note: The Group has obtained licenses from the Office of the Joint Director General of Foreign Trade, Vishakapatnam under the Export Promotion of Capital Goods (EPCG) scheme which allows the Company to import capital goods free of customs duty. The scheme requires the Company to achieve an export obligation equal to 6 times the amount of customs duty saved within a period of next 6 years. The Company has imported equipment during the current year under the Scheme and has availed a cumulative customs duty benefit of ₹ 7.12 Cr. Company has determined that it would meet the export obligation commitment within the period specified.

c) Other commitments

As at March 31, 2025, the Group has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	As at March 31, 2025
Claims against the Group not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	10.67
Textile committee cess	0.75
Others*	2.71
Total	**14.73**

* Pertains to claims made by third parties, pending settlement which are considered not probable.

The Group's pending litigations comprise of claims against the Group primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for customs duty, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025.

Note :- As per the approved Composite Scheme of Arrangement, the Group has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025)*

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Non-Executive Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Non-Executive Director with effect from April 09, 2024

Mr. Anil Malik- Non-Executive Director with effect from April 09, 2024

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Period ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	200.12	-	-
Reimbursement of expenses recovered from	0.29	-	-
Purchase of goods	2.65	-	-
Reimbursement of expenses paid to	121.43	-	-
Production services given	11.21	-	-
Transfer of Post-employment liabilities	0.86	-	-

Balances outstanding

₹ in Crore

	As at March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.12	-	-
Amounts owed by related parties	147.70	-	-

Note:

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes: 15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	1,12,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	3,75,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	2,60,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	1,71,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	1,70,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	4,06,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	2,46,340
Total				**18,10,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	1,13,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**4,60,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.88	276.88	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,322.05	1,322.05	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	53.06	53.06	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.59	0.59	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	280.83	280.83	-	-	-
Total	**117.18**	**-**	**1,939.63**	**2,056.81**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	77.44	77.44	-	-	-
Current borrowings (Refer Note - 26)	-	-	874.75	874.75	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,121.32	2,121.32	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	660.48	660.48	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,258.84**	**4,263.80**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) **Forward contracts:** Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Group

(level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Group, pursuant to the demerger.

b) Investment:

i) **Quoted investments:** Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Group's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

Percentage change (%)	As at March 31, 2025	
	0.50% increase	0.50% decrease
Increase/ (decrease) in Profit/ loss before tax	(2.08)	2.08
Increase/ (decrease) in Profit/ loss after tax	(1.56)	1.56

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency.

The Group manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Group has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the consolidated Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	USD	4.97	433.08
	EURO	0.01	0.63

The details of unhedged foreign currency exposure as at the Consolidated Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Group's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

Percentage change (%)	As at March 31, 2025	
	0.50% increase	0.50% decrease
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Group has 24 customers that owed the Group more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 92% of the Group's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding.

The below tables summarises the maturity profile of the Group's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	920.80	84.59	-	1,005.39
Lease liabilities	566.20	1,188.20	367.22	2,121.62
Other financial liabilities	197.93	236.76	911.76	1,346.45
Deposits	250.55	274.30	-	524.85
Trade payables	2,121.32	-	-	2,121.32
Total	**4,056.80**	**1,783.85**	**1,278.98**	**7,119.63**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March

continue to next page

contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	39.55
Contribution to Superannuation Fund	0.60
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	7.02
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.86
Total	**55.22**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements	1.49
Expense arising from cash-settled share-based payment arrangements	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below:

	Options	RSUs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**3,88,363**	**164.23**	**84,976**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	-
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	-	-	-	-
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors ("Board") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019"), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019 are as below:

	Options	RSUs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**14,78,113**	**209.50**	**2,47,625**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	**-**
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below:

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting over 2 to 3 years	Bullet vesting at the end of 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	-
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years.

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	18,13,089	5,78,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end of 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	18,13,089	317.93	5,78,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Unvested at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Exercisable at the end of the financial year	-	-	-	-

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs issued during the year:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

	Option SARs	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR Options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Group has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

Expenses/ Income recognised in the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.06
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Consolidated Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.22
Total	**2,121.62**

The initial non-cancellable period of the lease agreement pertaining to stores are up to 3 years, beyond which there is an option for the Group to continue the lease, which the Group expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term. Post such period, the Group has the option to exit the lease by giving a notice period and the Group assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.23 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note: 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	As at March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual store, up to 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurred.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	42.37
Total	**42.37**

Note: The Group has obtained licenses from the Office of the Joint Director General of Foreign Trade, Vishakapatnam under the Export Promotion of Capital Goods (EPCG) scheme which allows the Company to import capital goods free of customs duty. The scheme requires the Company to achieve an export obligation equal to 6 times the amount of customs duty saved within a period of next 6 years. The Company has imported equipment during the current year under the Scheme and has availed a cumulative customs duty benefit of ₹ 7.12 Cr. Company has determined that it would meet the export obligation commitment within the period specified.

c) Other commitments

As at March 31, 2025, the Group has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	As at March 31, 2025
Claims against the Group not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	10.67
Textile committee cess	0.75
Others*	2.71
Total	**14.73**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Group's pending litigations comprise of claims against the Group primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for customs duty, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025.

Note :- As per the approved Composite Scheme of Arrangement, the Group has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025)*

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Non-Executive Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Non-Executive Director with effect from April 09, 2024

Mr. Anil Malik- Non-Executive Director with effect from April 09, 2024

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Period ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	200.12	-	-
Reimbursement of expenses recovered from	0.29	-	-
Purchase of goods	2.65	-	-
Reimbursement of expenses paid to	121.43	-	-
Production services given	11.21	-	-
Transfer of Post-employment liabilities	0.86	-	-

Balances outstanding

₹ in Crore

	As at March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.12	-	-
Amounts owed by related parties	147.70	-	-

Note:

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes: 15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	1,12,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	3,75,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	2,60,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	1,71,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	1,70,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	4,06,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	2,46,340
Total				**18,10,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	1,13,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**4,60,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.88	276.88	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,322.05	1,322.05	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	53.06	53.06	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.59	0.59	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	280.83	280.83	-	-	-
Total	**117.18**	**-**	**1,939.63**	**2,056.81**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	77.44	77.44	-	-	-
Current borrowings (Refer Note - 26)	-	-	874.75	874.75	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,121.32	2,121.32	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	660.48	660.48	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,258.84**	**4,263.80**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) **Forward contracts:** Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Group

(level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Group, pursuant to the demerger.

b) Investment:

i) **Quoted investments:** Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Group's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

Percentage change (%)	As at March 31, 2025	
	0.50% increase	0.50% decrease
Increase/ (decrease) in Profit/ loss before tax	(2.08)	2.08
Increase/ (decrease) in Profit/ loss after tax	(1.56)	1.56

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency.

The Group manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Group has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the consolidated Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	USD	4.97	433.08
	EURO	0.01	0.63

The details of unhedged foreign currency exposure as at the Consolidated Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Group's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

Percentage change (%)	As at March 31, 2025	
	0.50% increase	0.50% decrease
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Group has 24 customers that owed the Group more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 92% of the Group's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding.

The below tables summarises the maturity profile of the Group's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	920.80	84.59	-	1,005.39
Lease liabilities	566.20	1,188.20	367.22	2,121.62
Other financial liabilities	197.93	236.76	911.76	1,346.45
Deposits	250.55	274.30	-	524.85
Trade payables	2,121.32	-	-	2,121.32
Total	**4,056.80**	**1,783.85**	**1,278.98**	**7,119.63**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March

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31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Group's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Group is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	874.75
Long-term debts	77.44
Total borrowings	**952.19**
Equity (Including Share Suspense)	1,276.53

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

Note 48: Business Combination

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger.

Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024.

Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	504.09
Capital work-in-progress	56.75
Goodwill	692.05
Other intangible assets	552.40
Right to use	1,496.18
Financial assets	
(i) Loans	0.41
(ii) Security deposits	180.43
(iii) Other financial assets	198.48
Deferred tax assets (net)	152.64
Non-current tax assets (net)	11.21
Other non-current assets	42.72
Total - Non-current assets	**3,887.36**
Current assets	
Inventories	2,201.37
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.50
(iii) Security deposits	70.66
(iv) Trade receivables	947.94
(v) Cash and cash equivalent	132.35
(vi) Bank balance other than above	0.16
(vii) Other financial assets	79.17
Other current assets	665.60
Total - Current assets	**4,466.50**
TOTAL - ASSETS - A	**8,353.86**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	60.03
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	508.37
Provisions	7.66
Other non-current liabilities	23.27
Total - Non-current liabilities	**2,268.52**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,345.50
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	65.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,891.31
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	119.72
Provisions	129.04
Other current liabilities	558.89
Total - Current liabilities	**4,866.66**
Total - Liabilities - B	**7,135.18**
Net Assets - C (A - B)	**1,218.68**

Against the net assets of ₹ 1,218.68 Crore, the Company has created share suspense and share based payment reserve of ₹1,220.26 crore and ₹40.00 Crore respectively and the balance of ₹(41.58) Crore has been recognised as Capital reserve.

NOTE - 49 GROUP INFORMATION

The consolidated financial statements of the Group include subsidiary listed in the table below:

Name of the entity	Relationship with Company	Country of incorporation	Principal Activities	Proportion of ownership interest and voting power held by Parent
				As at March 31, 2025
Aditya Birla Garments Limited	Subsidiary	India	Manufacturing and distribution	100.00%

NOTE - 50 ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013

Year ended March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Parent								
Aditya Birla Lifestyle Brands Limited	101.36%	1,293.90	115.77%	69.00	97.74%	(3.22)	116.82%	65.78
Subsidiaries								
Aditya Birla Garments Limited	1.38%	17.56	-15.89%	(9.47)	2.26%	(0.07)	-16.94%	(9.54)
Adjustments arising out of consolidation	-2.74%	(34.93)	0.12%	0.07	0.00%	-	0.12%	0.07
Total	**100.00%**	**1,276.53**	**100.00%**	**59.60**	**100.00%**	**(3.29)**	**100.00%**	**56.31**

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Group measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Consolidated 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 Group.

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 Group 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 described on its nature, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Consolidated Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated 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 Consolidated Statement of Profit and Loss are also reclassified in OCI or the Consolidated Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) Borrowing costs

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

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 Consolidated Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

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

be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Group had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss are recognised outside the Consolidated 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Group, 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 Consolidated Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Consolidated 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 Consolidated Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Consolidated Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Impairment of non-financial assets

At the end of each reporting period, the Group 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 Consolidated 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 are recognised in the Consolidated 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 Consolidated 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.

(j) 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 and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Consolidated Statement of Profit and Loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Consolidated Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Consolidated Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iv) Equity investments

Equity investments are measured at fair value as per Ind AS 109. Equity investments which are held for trading are classified as at FVTPL. For all other equity investments, the Group has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Consolidated Balance Sheet.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Consolidated Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Consolidated Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Consolidated Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Consolidated Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Consolidated Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Consolidated Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Consolidated Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group de-recognises financial liabilities only when the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated Statement of Profit and Loss.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash

continue to next page

flows (when the effect of the time value of money is material).

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (Refer Note – 44).

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Group makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Consolidated Statement of Profit and Loss, on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Group operates a defined benefit gratuity plan. The Group operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. The subsidiary within the group operates an unfunded gratuity plan. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. A part of the gratuity plan is funded (maintained by an independent insurance Group) and another part is unfunded and managed within the Group, hence the liability has been bifurcated into funded and unfunded. The Group's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Consolidated Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Consolidated Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Consolidated Statement of Profit and Loss.

(d) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation in the Consolidated Statement of Profit and Loss.

The Group presents the entire leave as a current liability in the Consolidated Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Group's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Balance Sheet and for the purpose of the Consolidated Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

(v) WILFUL DEFAULTER

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Group has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries.

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current or previous year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

NOTE - 53

Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

11. LATEST RESTATED AUDITED FINANCIALS ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS.

Please refer point no. 10

12. CHANGE IN ACCOUNTING POLICIES IN LAST THREE FINANCIAL YEARS AND THEIR EFFECT ON PROFITS AND RESERVES

There has been no change in accounting policies of the Company.

13. SUMMARY TABLE OF CONTINGENT LIABILITIES AS DISCLOSED IN THE FINANCIAL STATEMENTS

Refer Note No. 44 of the Standalone Audited Financial Statements and Consolidated Audited Financial Statements given in point no. 10 above

14. SUMMARY TABLE OF RELATED PARTY TRANSACTIONS IN LAST THREE YEARS AS DISCLOSED IN THE FINANCIAL STATEMENTS

Refer Note No. 45 of the Standalone Audited Financial Statements and Consolidated Audited Financial Statements given in point no. 10 above

15. DETAILS OF GROUP COMPANIES OF THE COMPANY INCLUDING THEIR CAPITAL STRUCTURE AND FINANCIAL STATEMENTS

The details of our Group Companies are as set forth below:

1. Aditya Birla Fashion and Retail Limited ("ABFRL")

Corporate Information:

ABFRL is a public company, limited by shares, incorporated under the Companies Act, 1956 bearing corporate identification number L18101MH2007PLC233901 and having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
2,03,60,00,000 equity Shares (of face value ₹ 10 each)	20,36,00,00,000
5,00,000 8% redeemable cumulative preference shares of ₹ 10 each	50,00,000
15,000 6% redeemable cumulative preference shares of ₹ 100 each	15,00,000
95,00,000 preference shares of ₹ 10 each	9,50,00,000
2,00,00,000 preference Shares of face value of ₹ 1 each	2,00,00,000
Total	**20,48,15,00,000**
Issued and Subscribed Share Capital	
1,22,05,00,277 equity shares of ₹ 10 each	12,20,50,02,770
5,55,000 8% non-cumulative non-convertible redeemable preference shares of ₹ 10 each	55,50,000
Total	**12,21,05,52,770**
Paid-up Share Capital	
1,22,02,94,773 equity shares of ₹ 10 each	12,20,29,47,730
5,55,000 8% non-cumulative non-convertible redeemable preference shares of ₹ 10 each	55,50,000
Total	**12,20,84,97,730**

**Financial Information (on consolidated basis):*

			₹ in Crore
Particulars	**FY 2024-25[*]**	**FY 2023-24[**]**	**FY 2022-23[#]**
Reserves (excluding revaluation reserves)	5,591.91	3,007.37	2,394.50
Sales	7,354.73	6,441,49	12,417.90
Profit after Tax	(624.17)	(907.02)	(59.47)
Earnings per share	(5.12)	(8.29)	(0.38)
Diluted earnings per share	(5.12)	(8.29)	(0.38)
Net asset value	6,813.29	4,709.61	3,346.00

**Only continuing operations are disclosed*

***Includes both continuing and discontinuing operations for balance sheet items and only continuing operations for PL items*

 # Includes both continuing and discontinuing operations

2. Aditya Birla Garments Limited ("ABGL")

Corporate Information:

ABGL was incorporated as a public limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated June 19, 2022, issued by Registrar of Companies, Central Registration Centre, having Corporate Identity Number U18100MH2022PLC384566. Its registered office is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai – 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
4,00,00,000 equity Shares (of face value ₹ 10 each)	40,00,00,000
Total	**40,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
3,50,00,000 equity shares of ₹ 10 each	35,00,00,000
Total	**35,00,00,000**

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	(7.90)	(3.96)	NA
Sales	7.67	0.09	NA
Profit after Tax	(3.91)	(3.96)	NA
Earnings per share	(1.22)	(8.14)	NA
Diluted earnings per share	(1.22)	(8.14)	NA
Net asset value	27.10	11.04	NA

3. Finesse International Design Private Limited ("FIDPL")

Corporate Information:

FIDPL was incorporated as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation dated May 31, 2007, issued by Ministry of corporate affairs, having Corporate Identity Number U74900DL2007PTC164203. Its registered office is situated at D-32, Lala Lajpat Rai Marg, Defence Colony, New Delhi - 110024, India.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
17,00,000 equity Shares (of face value ₹ 10 each)	1,70,00,000
Total	**1,70,00,000**
Issued, Subscribed and Paid-up Share Capital	
16,62,966 equity shares of ₹ 10 each	1,66,29,660
Total	**1,66,29,660**

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	10.97	5.09	16.63
Sales	85.43	70.87	46.22
Profit after Tax	(13.86)	(11.60)	(7.54)
Earnings per share	(91.23)	(78.99)	(52.89)
Diluted earnings per share	(91.23)	(78.99)	(52.89)
Net asset value	12.63	6.56	18.09

4. Indivinity Clothing Retail Private Limited ("ICRPL")

Corporate Information:

ICRPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated March 3, 2021, issued by Ministry of corporate affairs, having Corporate Identity Number U18109HR2021PTC093323. Its registered office is situated at P No 708, Sector 37 Pace City II, Gurgaon, Haryana, India, 122001.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
10,50,00,000 equity Shares (of face value ₹ 10 each)	105,00,00,000
Total	**82,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
10,43,41,792 equity shares of ₹ 10 each	1,04,34,17,920
Total	**1,04,34,17,920**

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	(37.79)	25.85	3.62
Sales	100.06	49.29	1.57
Profit after Tax	(163.31)	(67.68)	(30.59)
Earnings per share	(27.66)	(15.54)	(8.74)
Diluted earnings per share	(27.66)	(15.54)	(8.74)
Net asset value	21.26	84.90	38.62

5. Sabyasachi Calcutta LLP ("Sabyasachi")

Corporate Information:

Sabyasachi group was incorporated in India under the Limited Liability Partnership Act, 2008, pursuant to a certificate of registration dated February 4, 2021. Its registration number is AAV-7132 and its registered office is situated at 80/2 Topsia Road South, Kolkata, West Bengal, 700046.

Partner' s Contribution:

The total obligation of the partners of the LLP is ₹10,12,54,55,284 and it is received from all the partners of the LLP in entirety.

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	(30.70)	(17.53)	(3.76)
Sales	486.82	343.86	229.42
Profit after Tax	31.61	7.96	27.72
Earnings per share	NA	NA	NA
Diluted earnings per share	NA	NA	NA
Net asset value	936.05	904.86	796.16

6. Jaypore E-Commerce Private Limited ("Jaypore")

Corporate Information:

Jaypore was incorporated as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation dated February 21, 2012, issued by Ministry of corporate affairs, having Corporate Identity Number U51900MH2012PTC422224. Its registered office is situated at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S, Road, Kurla, Mumbai City, Mumbai, Maharashtra, India, 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
2,20,00,000 Equity Shares (of face value ₹ 10 each)	22,00,00,000
Total	**22,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
2,13,65,293 equity shares of ₹ 10 each	21,36,52,930
Total	**21,36,52,930**

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	(10.61)	22.72	58.47
Sales	79.59	75.87	39.85
Profit after Tax	(56.99)	(35.99)	(25.73)
Earnings per share	(38.72)	(24.49)	(25.38)
Diluted earnings per share	(38.72)	(24.49)	(25.38)
Net asset value	5.75	37.42	73.16

7. House of Masaba Lifestyle Private Limited ("HOMLPL")

Corporate Information:

HOMLPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated September 9, 2014, issued by Ministry of corporate affairs, having Corporate Identity Number U74110MH2014PTC257909. Its registered office is situated at Plot No 80 & 89, Marol Co-operative Industrial Estate, Marol, Andheri (East), Mumbai, Maharashtra, India, 400059.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
14,00,000 Equity Shares (of face value ₹ 10 each)	1,40,00,000
Total	**1,40,00,000**
Issued, Subscribed and Paid-up Share Capital	
12,54,644 equity shares of ₹ 10 each	1,25,46,440
Total	**1,25,46,440**

Financial Information:

			₹ in Crore
Particulars	**FY 2023-24**	**FY 2022-23**	**FY 2021-22**
Reserves (excluding revaluation reserves)	22.56	45.27	4.68
Sales	69.56	50.21	28.56
Profit after Tax	(22.69)	(11.92)	0.88
Earnings per share	(226.67)	(139.35)	76.16
Diluted earnings per share	(226.67)	(139.35)	76.16
Net asset value	23.56	46.27	4.80

16. INTERNAL RISK FACTORS

i. Our Company was incorporated on April 9, 2024 and there may be certain uncertainties in the integration of the Demerged undertaking into a newly incorporated entity, such as our Company.

ii. Fashion and retail industry is highly competitive, if we do not respond to competition effectively, our results of operation, financial condition and cash flows may be adversely affected.

iii. Our business depends on our ability to obtain and retain quality retail spaces;

iv. We may face the risk of our designs being out of trend;

v. Current trend of discounting and pricing strategies may adversely affect the value of our brand and our sales;

vi. The success of our business is dependent on an agile and efficient supply chain management. Any disruptions or delays in the supply of our products could hamper our operations and adversely impact our business and results of operations;

17. OUTSTANDING LITIGATIONS AND DEFAULTS OF THE COMPANY, PROMOTERS, DIRECTORS OR ANY OF THE GROUP COMPANIES

The summary of outstanding or pending litigations involving our Company, Subsidiaries, Directors, Promoters and Group Companies, is set out below:

						₹ in Crore
Category of individuals / entities	**Criminal Proceedings**	**Tax| Proceedings**	**Statutory or regulatory actions**	**Disciplinary actions by SEBI or Stock Exchanges against our Promoter in the last five years, including outstanding action**	**Material civil litigation**	**Aggregate amount involved***
Company						
By the Company	17**	Nil	Nil	N.A.	1	5.67
Against the Company	Nil	Nil	Nil	N.A.	3	8.64
Directors						
By the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Directors	1	Nil	Nil	N.A.	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Promoters	Nil	10	Nil	Nil	Nil	21.91
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies						
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil

** To the extent quantifiable*

*** This includes 12 cases filed against various parties under Section 138 of the Negotiable Instruments Act, 1881. The aggregate amount involved in such proceedings is approximately ₹ 1.57 crores.*

18. REGULATORY ACTION / DISCIPLINARY ACTION TAKEN BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN LAST 5 FINANCIAL YEARS

There are no regulatory proceedings or disciplinary actions, taken by SEBI or stock exchanges against our Promoters in the last five financial years including any outstanding action.

19. BRIEF DETAILS OF OUTSTANDING CRIMINAL PROCEEDINGS AGAINST OUR PROMOTERS

There are no criminal proceedings against our Promoters.

20. PARTICULARS OF HIGH, LOW AND AVERAGE PRICES OF THE SHARES OF THE LISTED TRANSFEROR (i.e., ADITYA BIRLA FASHION AND RETAIL LIMITED) FOR THE PRECEDING THREE YEARS

The Equity Shares of Aditya Birla Fashion and Retail Limited are listed on NSE and BSE. The following table provides details of the high, low and average closing price of Aditya Birla Fashion and Retail Limited on NSE and BSE for the preceding three years:

Year	**BSE Limited**			**National Stock Exchange of India Limited**		
	High Price (₹)	**Low Price (₹)**	**Average Price* (₹)**	**High Price (₹)**	**Low Price (₹)**	**Average Price* (₹)**
Fiscal 2023	359.40	200.20	281.27	359.50	206.20	281.27
Fiscal 2024	265.75	184.40	219.76	266.00	184.40	219.76
Fiscal 2025	364.50	206.25	292.90	364.40	205.80	292.90
	Source: website of BSE Limited			Source: website of National Stock Exchange of India Limited		

**The average price is simple average of closing prices for all the trading days of a particular financial year.*

21. ANY MATERIAL DEVELOPMENTS AFTER THE DATE OF THE BALANCE SHEET

Except as disclosed above and in the Information Memorandum, to the knowledge of the Company, there are no circumstances which have arisen since the last Audited Financial Statements disclosed in the Information Memorandum which may materially or adversely affect or are likely to affect the Company's operations, profitability or value of the assets.

22. SUCH OTHER INFORMATION AS MAY BE SPECIFIED BY THE BOARD FROM TIME TO TIME

The Information Memorandum shall be made available on the Company's website (www.ablbl.in).

For **Aditya Birla Lifestyle Brands Limited**

SD/-
Rajeev Agrawal
Company Secretary & Compliance Officer
ACS: A18877

Date: June 16, 2025
Place: Mumbai

THIS IS A PUBLIC ANNOUNCEMENT IN COMPLIANCE WITH SEBI CIRCULARS ONLY AND DOES NOT CONSTITUE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES NOR IS IT A PROSPECTUS ANNOUNCEMENT

ADITYA BIRLA
LIFESTYLE BRANDS

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Registered Office: Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401,403, 501, 502, L.B.S Road, Kurla, Mumbai 400070, Maharashtra, India

Corporate Office: Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037

Tel: +91 86529 05000 | **Email Id** – secretarial.ablbl@abfrl.adityabirla.com | **Website –** www.ablbl.in

Contact Person: Mr. Rajeev Agrawal, Company Secretary & Compliance Officer

PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF SHAREHOLDERS OF ADITYA BIRLA LIFESTYLE BRANDS LIMITED

STATUTORY ADVERTISEMENT ("ADVERTISEMENT") ISSUED IN COMPLIANCE WITH PARA 5 OF PART II(A) OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023, AS AMENDED FROM TIME TO TIME, READ WITH RULE 19(7) OF THE SECURITIES CONTRACTS (REGULATIONS) RULES, 1957, AS AMENDED FROM TIME TO TIME ('SCRR') PURSUANT TO GRANT OF RELAXATION BY SEBI VIDE ITS LETTER DATED JUNE 13, 2025 FROM THE APPLICABILITY OF RULE 19(2)(B) OF SCRR, PURSUANT TO SCHEME OF ARRANGEMENT AMONSGT ADITYA BIRLA FASHION AND RETAIL LIMITED AND ADITYA BIRLA LIFESTYLE BRANDS LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS.

THIS PUBLIC ANNOUNCEMENT DOES NOT RELATE TO ANY ISSUANCE / SALE OF EQUITY SHARES. NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CATEGORY OF INVESTORS PURSUANT TO THIS PUBLIC ANNOUNCEMENT, NOR IS IT SOLICITING AN OFFER TO BUY SECURITIES IN ANY JURISDICTION.

ABOUT THE SCHEME

The National Company Law Tribunal, Mumbai Bench, vide its order pronounced on March 27, 2025 has sanctioned the Scheme of Arrangement under the provisions of Sections 230 to 232 and other applicable provisions of, the Companies Act, 2013 amongst Aditya Birla Fashion and Retail Limited ("ABFRL"/ "Demerged Company") and Aditya Birla Lifestyle Brands Limited ("ABLBL"/"Resulting Company"/"Company") and their respective shareholders and creditors ("Scheme"). The Scheme became effective from May 1, 2025 with the appointed date being April 1, 2024. In accordance with the Scheme, Demerged Undertaking of ABFRL has been demerged into, transferred to and vested with the Company on a going concern basis. In accordance with the said Scheme, the Company has allotted 1 equity share of ₹ 10/- each for every 1 equity share of ₹ 10/- each held in the Demerged Company as on the record date i.e. May 22, 2025. The Equity Shares of our Company shall be listed and admitted to trading on BSE and NSE. The Company has received in-principle approval for listing of shares from BSE and NSE on June 5, 2025.

Capitalised terms used but not defined herein have the meaning assigned to them in the Information Memorandum.

1. NAME AND ADDRESSES OF THE REGISTERED OFFICE AND CORPORATE OFFICE OF THE COMPANY

The name of the Company is Aditya Birla Lifestyle Brands Limited. The Registered Office of the Company is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai, Maharashtra 400070. The Corporate Office of the Company is situated at Kh No. 118/110/1, Building 2, Divyashree Technopolis, Yemalur Main Rd, off HAL Airport Road, Bengaluru- 560037.

2. DETAILS OF CHANGE IN NAME AND/OR OBJECT CLAUSE

There has been no change in the name and object clause of the Company since incorporation.

3. CAPITAL STRUCTURE – PRE AND POST SCHEME OF ARRANGEMENT

Pre-Scheme		Post-Scheme	
Particulars	**Aggregate Value (in ₹)**	**Particulars**	**Aggregate Value (in ₹)**
Authorised Share Capital		**Authorised Share Capital**	
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	2,00,00,00,000 Equity Shares (of face value ₹ 10 each)	20,00,00,00,000
		5,55,000 Preference Shares (of face value ₹ 10 each)	55,50,000
Total	**5,00,000**	**Total**	**20,00,55,50,000**
Issued, Subscribed and Paid up Capital		Issued Share Capital	
Issued, Subscribed and Paid-up Capital		1,22,05,00,277 Equity Shares (of face value ₹ 10 each)	12,20,50,02,770
50,000 Equity Shares (of face value ₹ 10 each)	5,00,000	5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
		Subscribed and Paid up Capital	
		1,22,02,94,773 Equity Shares (of face value ₹ 10 each)	12,20,29,47,730
		5,55,000 8% Non- Cumulative Non- Convertible Redeemable Preference Shares (of face value ₹ 10 each)	55,50,000
Total	**5,00,000**	**Total**	**12,20,84,97,730**

4. SHAREHOLDING PATTERN GIVING DETAILS OF THE SHAREHOLDING OF PROMOTER, PROMOTER GROUPS AND GROUP COMPANIES:

a. Pre-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights – Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares – Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	7*	50,000	-	-	50,000	100.00	50,000	-	50,000	100	-	100	-	-	-	-	50,000	-	-	-
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total (A+B+C)	**7***	**50,000**	**-**	**-**	**50,000**	**100**	**50**	**-**	**50,000**	**100**	**-**	**100**	**-**	**-**	**-**	**-**	**50,000**	**-**	**-**	**-**

*in addition to Aditya Birla Fahsion and Retail Limited, there six nominees holding one Equity Share each on behalf of Aditya Birla Fahsion and Retail Limited

Note: In order to comply with the requirement of minimum 7 members in the Company under the Companies Act 2013, 1 equity share is held by 6 individual as nominee of Aditya Birla Fahsion and Retail Limited

b. Post-Scheme shareholding pattern of our Company;

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights – Class: Equity shares	Class Others: NA	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held (b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held (b)	Number of equity shares held in dematerialised form	Sub-categorization of shares – Shareholding (No. of shares) under: Sub-category (i)	Sub-category (ii)	Sub-category (iii)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)	(XV)		
(A)	Promoter & Promoter Group	14	56,83,51,129	-	-	56,83,51,129	46.57	56,83,51,129	-	56,83,51,129	46.74	-	46.74	4,48,22,856	7.89	-	-	56,83,51,129	-	-	-
(B)	Public	2,98,726	64,76,32,655	-	-	64,76,32,655	53.08	64,76,32,655	-	64,76,32,655	53.26	-	53.07	3,96,09,127	6.12	NA	NA	64,76,32,655	6,58,00,866	17,85,80,724	-
(C)	Non Promoter - Non Public	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
(C1)	Shares Underlying DRs	-	-	-	-	-	NA	-	-	-	-	-	-	-	-	NA	NA	-	-	-	-
(C2)	Shares Held By Employee Trust	1	43,10,989	-	-	43,10,989	0.35	-	-	-	-	-	0.35	-	-	NA	NA	43,10,989	-	-	-
	Total	**2,98,741**	**1,22,02,94,773**	**-**	**-**	**1,22,02,94,773**	**100**	**1,21,59,83,784**	**-**	**1,21,59,83,784**	**100**	**-**	**100**	**8,44,31,983**	**6.92**	**-**	**-**	**1,22,02,94,773**	**6,58,00,866**	**17,85,80,724**	**-**

Note: 1) Voting Rights under Category "Public" includes 27,68,679 equity shares which remain frozen in terms of various applicable laws.

5. NAMES OF TEN LARGEST SHAREHOLDERS OF THE COMPANY – NUMBER AND PERCENTAGE OF SHARES HELD BY EACH OF THEM, THEIR INTEREST, IF ANY

Sr. No.	Name of Shareholders	Number of Equity Shares	% of share held
1	Birla Group Holdings Private Limited	23,66,19,965	19.390
2	IGH Holdings Private Limited	13,64,72,680	11.184
3	Grasim Industries Ltd	9,75,93,931	7.998
4	Flipkart Investments Private Limited	7,31,70,731	5.996
5	Caladium Investment Pte. Ltd.	6,58,00,866	5.392
6	Quant Mutual Fund - Quant Mid Cap Fund	5,61,90,433	4.605
7	Hindalco Industries Limited	5,02,39,794	4.117
8	Pilani Investment and Industries Corporation Limited	4,48,22,856	3.673
9	SBI Life Insurance Co. Ltd	2,71,53,233	2.225
10	Fidelity Securities Fund: Fidelity Blue Chip Growth Fund	2,37,20,498	1.944

Note: None of the above-mentioned shareholders have interest except promoters to the extent of their shareholding.

6. NAME AND DETAILS OF PROMOTER OF OUR COMPANY – EDUCATIONAL QUALIFICATIONS, EXPERIENCE, ADDRESS

Sr. No.	Name	Address	Educational Qualification and Experience
1.	Birla Group Holdings Private Limited	Industry House 1st Floor 159 Churchgate Reclamation, Mumbai, Maharashtra, India, 400020	NA

7. NAME AND DETAILS OF BOARD OF DIRECTORS (EXPERIENCE INCLUDING CURRENT/PAST POSITION HELD IN OTHER FIRMS)

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Ms. Ananyashree Birla DIN: 06625036 Date of Birth: July 17, 1994 Designation: Non- Executive Director Occupation: Professional Experience: Ms. Ananyashree Birla is a Non-Executive Director on the Board of our Company. She is a graduate from the University of Oxford with a bachelor's degree. She is a distinguished businesswoman and a platinum selling artist with significant contributions across diverse business sectors. She's the founder at Svatantra Microfin, the fastest growing, highly rated, second-largest microfinance organization in the country. As founder at Birla Cosmetics Private Limited, she oversees the company's foray into colour cosmetics as part of its long-term vision to build a dynamic beauty portfolio. Ms. Birla serves as the global ambassador for NAMI, advocating the need for mental wellness. She is also the founder of the Ananya Birla Foundation that does pioneering research in mental health and social impact.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Svatantra Micro Housing Finance Corporation Limited 5. Svatantra Microfin Private Limited 6. Svatantra Online Services Private Limited 7. Antimatter Media Private Limited 8. Talk and Cheese Private Limited 9. Aditya Birla New Age Hospitality Private Limited 10. Ananya Birla Foundation 11. Chaitanya India Fin Credit Private Limited 12. Aditya Birla Management Corporation Private Limited. 13. Birla Cosmetics Private Limited 14. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms 1. Siddhipriya Enterprises LLP
Mr. Aryaman Vikram Birla DIN: 08456879 Date of Birth: July 9, 1997 Designation: Non- Executive Director Occupation: Business Experience: Mr. Aryaman Vikram Birla is a Non-Executive Director on the Board of our Company. He holds an MSc. Degree in Global Finance from Bayes Business School, London. He comes with diverse experiences including entrepreneurship, VC investing, and professional sport. He is closely involved with several businesses of the Aditya Birla Group. Aryaman has founded and is spearheading, Aditya Birla New Age Hospitality, the Group's growing hospitality business as well as the venture capital fund, Aditya Birla Ventures, that invests in high-growth start-ups.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Grasim Industries Limited 3. Hindalco Industries Limited 4. Aditya Birla New Age Hospitality Private Limited. 5. Aditya Birla New Age Restaurants and Cafe Private Limited. 6. Aditya Birla Digital Fashion Ventures Limited. 7. Aditya Birla Management Corporation Private Limited. 8. KA Hospitality Private Limited 9. Aditya Birla Global Trading (Singapore) Pte. Limited. Partnership in firms Nil
Mr. Pankaj Sood DIN: 05185378 Date of Birth: July 11, 1976 Designation: Non- Executive Director Occupation: Service Experience: Mr. Pankaj Sood is a Non-Executive Director on the Board of our Company. He is a post-graduate from Indian Institute of Management Calcutta (1999). He has a Bachelor's degree in Chemical Engineering from Indian Institute of Technology Kharagpur (1996). Mr. Sood heads the Private Equity (Direct Investments) business of GIC Singapore in India and Africa. He has over 26 years of experience in private equity and M&A transactions in India. Prior to GIC, he was an investment banker in India in Kotak Investment Bank, Ernst & Young and SBI Capital Markets	Companies 1. Mphasis Limited 2. Aditya Birla Fashion and Retail Limited 3. Bandhan Financial Holdings Limited 4. Bandhan Financial Services Limited 5. Ather Energy Private Limited 6. Singapore InvestCorp (India) Private Limited 7. SPORE Investment Management (India) Private Limited Partnership in firms Nil
Mr. Ashish Dikshit DIN: 01842066 Date of Birth: July 15, 1969 Designation: Managing Director Occupation: Service Experience: Mr. Ashish Dikshit is the Managing Director of our Company. He is also the managing director of Aditya Birla Fashion and Retail Limited. He holds a bachelor's degree in electrical engineering from Indian Institute of Technology, Madras and a master's degree in business administration from Indian Institute of Management, Bangalore. Mr. Dikshit has over 30 years of experience in diverse roles across industries.	Companies 1. Jaypore E-Commerce Private Limited. 2. Goodview Fashion Private Limited 3. Indivinity Clothing Retail Private Limited 4. Finesse International Design Private Limited 5. Retailers Association of India 6. Aditya Birla Digital Fashion Ventures Limited 7. House of Masaba Lifestyle Private Limited 8. Novel Jewels Limited 9. Footwear Design and Development Institute 10. CLI Footwear and Accessories Private Limited. 11. Aditya Birla Fashion and Retail Limited.

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
and functions. He started his career at Asian Paints before moving to Madura Fashion and Lifestyle (MFL) Division of the Company, where he worked in its various functions ranging from Sales, Brand Management, Supply Chain and Sourcing over 15 years. He also served as the Principal Executive Assistant to the Chairman of Aditya Birla Group. He was appointed as President of MFL Division in 2007 and went on to become its CEO in 2012. He took over as the managing director of Aditya Birla Fashion and Retail Limited in February 2018	12. Aditya Birla Management Corporation Private Limited Partnership in firms 1. Sabyasachi Calcutta LLP
Mr. Vishak Kumar DIN: 09078653 Date of Birth: June 23, 1972 Designation: Deputy Managing Director and Chief Executive Officer Occupation: Service Experience: Mr. Vishak Kumar is the Deputy Managing Director and Chief Executive Officer on the Board of our Company. He holds a bachelor's degree in computer engineering from BIT Ranchi and a master's degree in business administration from the Indian Institute of Management, Bangalore. He has 30 years of experience. He joined the Madura business in 1995 as a Management Trainee. During his 30 year long stint, he has worked across functions and occupied various roles in sales, marketing and retail. Prior to his stint as CEO of Madura, he was the CEO of Aditya Birla Retail Limited, where he was instrumental in transforming the "More" Supermarket and Hypermarket business.	Companies Nil Partnership in firms Nil
Mr. Arun Adhikari Kumar DIN: 00591057 Date of Birth: January 20, 1954 Designation: Independent Director Occupation: Retired Experience: Mr. Arun Kumar Adhikari is an Independent Director on the Board of our Company. He holds a bachelor's degree in chemical engineering from the Indian Institute of Technology, Kanpur, and a master's degree in business administration from Indian Institute of Management, Calcutta. Mr. Adhikari joined Hindustan Unilever Limited as Management Trainee in 1977 and was with Unilever through his full career. He retired from Unilever in January 2014 as Senior Vice-President for Unilever Laundry Category across Asia and Africa (Singapore). He has also worked with McKinsey & Company in India as Senior Advisor from May 2014 for 4 years	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Capital Limited 3. Hindalco Industries Limited 4. Voltas Limited 5. Aditya Birla Sun Life Insurance Company Limited 6. Voltbek Home Appliances Private Limited Partnership in firms Nil
Mr. Sunirmal Talukdar DIN: 00920608 Date of Birth: December 6, 1951 Designation: Independent Director Occupation: Retired Experience: Mr. Sunirmal Talukdar is an Independent Director on the Board of our Company. He is a chartered accountant from the Institute of Chartered Accountants of India. He holds a bachelor's degree in science from St. Xavier's College, Calcutta University. Mr. Talukdar has over 3 decades of rich & comprehensive experience backed by benchmark competencies in the areas of Strategic & Tactical Planning, Mergers & Acquisitions, Risk Management, Public Reporting, Regulatory Compliance and Corporate Governance etc. He retired as Group Executive President and Chief Financial Officer of Hindalco Industries Limited in 2012. Afterwards he worked with Haldia Petrochemicals Limited as Head-F&A, EVP, and CFO from November 2016 to November 2018.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Heubach Colorants India Limited 3. Sasken Technologies Limited 4. Aditya Birla Real Estate Limited 5. Vodafone Idea Limited 6. Innvol Medical India Limited 7. Indivinity Clothing Retail Private Limited 8. Assam Carbon Products Limited Partnership in firms Nil
Mr. Nish Bhutani DIN: 03035271 Date of Birth: March 7, 1967 Designation: Independent Director Occupation: Business Experience: Mr. Nish Bhutani is an Independent Director on the Board of our Company. He holds a bachelor's and master's of science degree in engineering from Stanford University and a master's degree in business administration from Harvard University. He has over 33 years of experience with digital and technology companies in Silicon Valley, the UK, and India. He is a founder & CEO of Indiginus Learning Pvt. Ltd. and he also a founder of Indiginus Inc.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Indiginus Learning Private Limited 3. Indiginus Inc. Indiginus Inc. Partnership in firms Nil
Ms. Preeti Vyas DIN: 02352395 Date of Birth: November 26, 1956 Designation: Independent Director Occupation: Business Experience: Ms. Preeti Vyas is an Independent Director on the Board of our Company. She is a Graduate from of National Institute of Design. Ms. Vyas is an independent entrepreneur and has steered Vyas Giannetti Creative to a top position in India as an independent Design and Communication Consultancy. She has been counted among 50 most influential women in India by Impact and Verve magazines, ranked as one of the top creative minds by the Economic Times and named one of the 25 most Powerful Women in Indian business by Business Today. She is also a member of Indian Design Council	Companies 1. Aditya Birla Fashion and Retail Limited 2. Aditya Birla Real Estate Limited. 3. Birla Estates Private Limited 4. Novel Jewels Limited 5. Goodview Fashion Private Limited 6. Indivinity Clothing Retail Private Limited Partnership in firms 1. 3Sixty 2. Vyas Giannetti Creative LLP

Name, DIN, Date of birth, Designation, Occupation, Experience	Directorship in other companies / Partnership in firms
Mr. Yogesh Chaudhary DIN: 01040036 Date of Birth: October 9, 1986 Designation: Independent Director Occupation: Carpet Business Experience: Mr. Yogesh Chaudhary is an Independent Director on the Board of our Company. He was a Management student from Boston College, USA. Mr. Chaudhary has immense entrepreneurial abilities and deep knowledge in the manufacturing business, leading Jaipur Rugs increase its global presence to 65 plus nations, from just two a decade ago. He is also a vital part of many prestigious associations such as Rajasthan Angel Investors network, Intellecap Impact Investment Network and Entrepreneurs Organization, to name a few.	Companies 1. Aditya Birla Fashion and Retail Limited. 2. Infurnia Holdings Limited 3. Goodview Fashion Private Limited 4. Tech Designworks Private Limited 5. Shyam Ahuja Private Limited 6. Marie-Anne Jaipur Private Limited 7. Jaipur Rugs Company Private Limited Partnership in firms 1. Balwana Ventures LLP 2. Asterlane Home LLP 3. Warmup Ventures LLP 4. Snspartans Management LLP 5. Marici Capital Advisors LLP 6. Warmup Venture Partners II LLP 7. Aspura Gallery LLP
Mr. Venkatesh Satyaraj Mysore DIN: 01401447 Date of Birth: December 30, 1958 Designation: Independent Director Occupation: Professional Experience: Mr. Venkatesh Satyaraj Mysore is an Independent Director on the Board of our Company. He holds a bachelor's degree in marketing and finance and a master's degree in business administration from the University of Madras. Mr. Mysore holds extensive experience in sports management, entertainment, and financial services. He is the CEO of The Knight Riders Group & Red Chillies Entertainment since 2010, leading the global expansion of the Knight Riders franchise in T20 cricket across multiple leagues. He played a key role in establishing MetLife India as its first CEO/ MD and securing its license through collaboration with IRDA.	Companies 1. Aditya Birla Fashion and Retail Limited 2. Meer Foundation 3. TransAfrica Assurance Co Ltd – Kampala 4. TKR (St. Lucia) Ltd 5. TKR Trinidad Ltd 6. Knight Riders Sports USA Inc. 7. Knight Riders Sports Middle East–Sole Proprietorship LLC Partnership in firms 1. VVPAM Mysore LLP

8. BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Business Overview:

The Company was incorporated on April 9, 2024 as a wholly owned subsidiary of ABFRL. Pursuant to the effectiveness of Scheme on May 1, 2025, the MFL Business operated by ABFRL stands demerged, transferred and vested in our Company with the appointed date of April 1, 2024.

Aditya Birla Lifestyle Brands Limited (ABLBL) comprises of lifestyle brands who primarily play in the western wear segment with brands such as Louis Philippe, Van Heusen, Allen Solly and Peter England. It also includes youth wear brand such as American Eagle, sportswear brand Reebok and the innerwear business under Van Heusen.

Business Strategy:

Our strategic approach is aimed towards building a leadership position in large total addressable markets and high growth segments through distinct brands.

Lifestyle Brands are actively expanding into diverse categories and new consumer segments. Beyond men's wear, these brands are making strategic in-roads into casual wear, non-apparel, kids wear, women's wear, wedding wear and accessories, which are important for building product portfolio and driving growth through acquisition of new customers.

We have also identified key growth areas including innerwear, sportswear and youth wear, where we have already established a meaningful presence via brands Van Heusen, Reebok and American Eagle.

By expanding into new and white spaces within our existing markets, we are well-positioned for robust growth in the coming years. Our focus on digital transformation empowers us to remain agile and responsive in an ever-evolving retail landscape. Coupled with a holistic approach to innovation and product development, ABLBL is poised for exponential growth across all brands, further strengthening our presence in both mature and emerging markets.

9. REASONS FOR THE SCHEME OF ARRANGEMENT

The rationale of the Demerger envisaged in the Scheme is expected, inter-alia, to result in following benefits:

1. ABFRL runs a diverse portfolio of fashion brands and retail formats with key business segments comprising of Madura Fashion and Lifestyle and Pantaloons, Ethnic portfolio along with other new growth platforms;
2. The MFL Business has built a leadership position over a long period of time and has a proven track record of delivering consistent revenue growth, profitability, strong free cash flows and high return on capital. The Remaining Business of the Demerged Company comprises portfolio of multiple businesses; and
3. The Scheme is being proposed to separate MFL Business from the Remaining Business of the Demerged Company and demerge it into the Resulting Company. The proposed Scheme would be in the best interests of the Demerged Company, Resulting Company and, their respective shareholders, employees, creditors and other stakeholders for the below reasons:
   - (a) The distinctive profile and established business model of the MFL Business makes it suitable to be housed in a separately listed entity, allowing sharper strategic focus in pursuit of its independent value creation trajectory;
   - (b) Result in better and efficient control and management for the segregated businesses, operational rationalization, organization efficiency and optimum utilization of various resources;
   - (c) The Scheme would unlock value for the overall-business portfolio through price discovery of the individual entities for existing shareholders;
   - (d) The Demerged Company will house multiple growth platforms across value and masstige retail, branded ethnic business, super premium and luxury retail formats and portfolio of digital brands and will chart its own growth journey;
   - (e) The Scheme could lead to the right operating architecture for both companies with sharper focus on their individual business strategies and clear capital allocation, in alignment with their respective value creation journeys; and
   - (f) Separately listed companies to attract specific set of investors for their business profile, and consequently, encourage stronger capital market outcomes.

10. RESTATED AUDITED FINANCIALS FOR THE PREVIOUS THREE FINANCIAL YEARS PRIOR TO THE DATE OF LISTING

The Company was incorporated on April 9, 2024. Since there is no prior year/ period for the purpose of restating the financial statements, the standalone and consolidated financial statements for financial year ended March 31, 2025 is reproduced here. There is no audit qualification made by the Auditors of the Company in the Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2025.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Standalone Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	508.28
(b) Capital work-in-progress	3b	11.69
(c) Right-of-use assets	4a	1,523.53
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Investment in a subsidiary	6a	35.00
(ii) Loans	7	0.48
(iii) Security deposits	8	176.51
(iv) Other financial assets	9	203.74
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.68
(i) Other non-current assets	11	53.75
Total - Non-current assets		**3,774.84**
II Current assets		
(a) Inventories	12	2,107.52
(b) Financial assets		
(i) Current investments	6b	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.13
(iv) Trade receivables	15	1,325.48
(v) Cash and cash equivalents	16	52.99
(vi) Bank balance other than Cash and cash equivalents	17	0.07
(vii) Other financial assets	18	76.06
(c) Other current assets	19	616.65
Total - Current assets		**4,401.82**
TOTAL - ASSETS		**8,176.66**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share suspense	21	1,220.26
(c) Other equity	21	73.59
Total - Equity		**1,293.90**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	1.04
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.20
(c) Other non-current liabilities	25	19.53
Total - Non-current liabilities		**2,352.03**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	850.18
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,029.42
(iv) Deposits		250.55
(v) Other financial liabilities	28	140.17
(b) Provisions	29	140.83
(c) Other current liabilities	30	567.35
Total - Current liabilities		**4,530.73**
TOTAL - EQUITY AND LIABILITIES		**8,176.66**
Basis of preparation	2	

Standalone Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

		Notes	Period ended March 31, 2025
I	Revenue from operations	31	7,829.73
II	Other income	32	77.27
III	**Total income (I + II)**		**7,907.00**
IV	**Expenses**		
	(a) Cost of materials consumed	33a	1,008.91
	(b) Purchase of stock-in-trade	33b	2,146.68
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
	(d) Employee benefits expense	34	899.91
	(e) Finance costs	35	376.95
	(f) Depreciation and amortisation expense	36	701.65
	(g) Rent expense	44a	764.70
	(h) Other expenses	37	1,678.27
	Total expenses		**7,717.48**
V	**Profit/(Loss) before exceptional items and tax (III - IV)**		**189.52**
VI	Exceptional items	37a	(98.33)
VII	**Profit/(Loss) before Tax (V + VI)**		**91.19**
VIII	**Income tax expense**		
	(a) Current tax	38	-
	(b) Current tax relating to earlier years	38	-
	(c) Deferred tax	38	22.19
			22.19
IX	**Profit/(Loss) for the year (VII - VIII)**		**69.00**
X	**Other comprehensive income**		
	Items that will not be reclassified to profit or loss		
	(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.30)
	Income tax effect on above		1.08
	Total other comprehensive income for the year		**(3.22)**
XI	**Total comprehensive income for the year (IX + X)**		**65.78**
XII	**Earnings per equity share [Nominal value of share ₹ 10]**	39	
	Basic (₹)		0.57
	Diluted (₹)		0.57
	Basis of preparation	2	

Standalone Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity shares issued on incorporation of company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

₹ in Crore

	Reserves and surplus			Other comprehensive income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note - 21)	Group share based payment reserve (Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	**-**	**-**	**-**	**-**	**-**	**-**
Profit for the year	69.00	-	-	-	69.00	-
Other comprehensive income for the year	-	-	-	(3.22)	(3.22)	-
Pursuant to Composite Scheme	-	40.00	(33.68)	-	6.32	1,220.26
Capital contribution on Company share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**69.00**	**41.49**	**(33.68)**	**(3.22)**	**73.59**	**1,220.26**

Standalone Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		**91.19**
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	784.47
Finance costs	35	376.95
Gain on termination of right-of-use assets (Including exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/ discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(5.99)
Net Unrealised exchange (gain)/ loss		14.17
Interest income from financial assets at amortised cost	32	(42.10)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,232.05**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(385.26)
(Increase)/ decrease in inventories		93.76
(Increase)/ decrease in other assets		58.38
Increase/ (decrease) in trade payables		166.69
Increase/ (decrease) in provisions		27.42
Increase/ (decrease) in other liabilities		(56.22)
Cash generated from/ (used) in operations		**1,136.81**
Income taxes paid (net of refund)		(3.59)
Net cash flows from/ (used) in operating activities		**1,133.22**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(204.31)
(Purchase)/ proceeds from sale or redemption of current investments (net)		244.57
Proceeds from sale of property, plant and equipment and intangible assets		2.95
Interest received		6.00
Net cash flows from/ (used) in investing activities		**49.21**
Cash flows from financing activities		
Proceeds from issuance of equity share capital		0.05
Proceeds/ (repayments) of current borrowings (net)		(479.32)
Repayment of non-current borrowings		(11.23)
Repayment of lease liabilities		(453.25)
Interest payment on lease liabilities		(187.74)
Interest paid	35	(130.16)
Net cash flows from/ (used) in financing activities		**(1,261.65)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.22)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite Scheme		132.21
Cash and cash equivalents at the end of the year	16	**52.99**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.59
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**52.99**

Notes to the Standalone Financial Statements for the period ended March 31, 2025

1. **Corporate information**

Aditya Birla Lifestyle Brands Limited (the "Company"), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company is engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The standalone financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. **Basis of preparation**

2.1 Compliance with Ind AS and historical cost convention

The standalone 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 (as amended), 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Company presents assets and liabilities in the Standalone 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:

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

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

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

The key assumptions concerning the future and other key sources of estimation, 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's assumptions and estimates are based on parameters available at the time of preparation of financial statements. 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.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are discounted to arrive at the value of perpetuity. The budget do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Company uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognised in the Standalone Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Company has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Company provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Company provides for discount and sales return based on season wise, brand wise and channel wise trend. The Company reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Company:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis upto the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

₹ in Crore

	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
Cost									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	44.00	297.38	201.56	55.50	264.17	27.73	26.87	923.13
Additions	-	0.18	28.96	51.62	12.17	81.64	10.09	18.28	202.94
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**5.92**	**44.18**	**321.00**	**233.32**	**57.11**	**319.30**	**34.94**	**40.79**	**1,056.56**
Depreciation									
As at April 01, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.30	134.23	105.80	23.57	175.20	15.30	4.60	469.00
Depreciation for the year (Refer Note: 36)	-	1.47	21.52	42.32	12.23	53.11	7.12	7.87	145.64
Disposals	-	-	4.89	19.84	10.52	26.24	2.88	1.99	66.36
As at March 31, 2025	**-**	**11.77**	**150.86**	**128.28**	**25.28**	**202.07**	**19.54**	**10.48**	**548.28**
Net carrying value as at:									
March 31, 2025	**5.92**	**32.41**	**170.14**	**105.04**	**31.83**	**117.23**	**15.40**	**30.31**	**508.28**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	508.28
Total	**508.28**

Note:- The Company has received assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Property, plant and equipment are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note 48). Management will initiate the process to transfer these assets in the name of the Company.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	11.69
Total	**11.69**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	11.69	-	-	-	11.69
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Company has the right to operate the asset; or the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Company is the lessee

Right-of-use assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Company presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Standalone Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Company is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	10.42	2,648.24	15.60	84.96	3.49	2,762.71
Additions	-	604.48	-	4.51	-	608.99
Termination	-	511.61	-	-	-	511.61
As at March 31, 2025	**10.42**	**2,741.11**	**15.60**	**89.47**	**3.49**	**2,860.09**
Depreciation						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.91	1,198.19	10.65	55.71	1.93	1,267.39
Depreciation for the year (Refer Note: 36)	0.13	477.79	3.09	17.35	0.68	499.04
Termination	-	429.87	-	-	-	429.87
As at March 31, 2025	**1.04**	**1,246.11**	**13.74**	**73.06**	**2.61**	**1,336.56**
Net carrying value as at:						
March 31, 2025	**9.38**	**1,495.00**	**1.86**	**16.41**	**0.88**	**1,523.53**

Note :- The Company has received Right-of use assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme. Tittle deeds of Right-of use assets are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (Refer note: 48). Management will initiate the process to transfer these assets in the name of the Company.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,523.53
Total	**1,523.53**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**
Note :- Lease liabilities Includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.	
Current	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note: 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis
Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 01, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.75	0.43	562.37	1,370.06
Additions	-	5.31	1.44	5.93	-	12.68
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.77**	**108.18**	**6.36**	**528.56**	**1,348.92**
Amortisation						
As at April 01, 2024						
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.49	0.27	59.41	125.67
Amortisation for the year (Refer Note - 36)	-	1.33	21.35	1.96	32.33	56.97
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.80	33.81
As at March 31, 2025	**64.38**	**7.83**	**80.83**	**2.23**	**76.38**	**231.65**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.94**	**27.35**	**4.13**	**452.18**	**1,117.27**

Note:- The Company has received intangible assets relating to Madura Fashion & lifestyle business pursuant to Composite Scheme (Refer Note:48).

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to acquisition upon aprrovel of the Scheme of Arrangement between the Company and Aditya Birla Fashion and Retail Limited by the NCLT on March 27, 2025. (Refer note 48)

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is invloved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprises operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21"" (""F21""), and is considered as a separate CGU. At September 30, 2024, management has restructured the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores on September 30, 2024.

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the Madura Fashion & Lifestyle CGU

Value in use calculation of CGU:

The recoverable amount of the CGU as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of the CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of

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Aditya Birla Lifestyle Brands Limited

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debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

	Discount Rate As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 (a) NON-CURRENT FINANCIAL ASSETS - INVESTMENT IN EQUITY OF SUBSIDIARY

₹ in Crore

	As at March 31, 2025
(a) Investments in subsidiary	
Investments in subsidiaries: (Carried at cost)	
Unquoted equity instruments	
3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited (Refer Note - 1 below)*	35.00
Total	**35.00**
*Transfer of 3,50,00,000 fully paid equity shares of ₹ 10/- each of Aditya Birla Garments Limited as per the Composite Scheme.	
(b) Current Investments (Carried at fair value through profit and loss (FVTPL))	
Quoted	
Investment in Mutual Fund schemes	117.18
Total	**117.18**
Aggregate book value of unquoted investments	35.00
Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Notes:

1. Aditya Birla Garments Limited (ABGL), a wholly owned subsidiary of the Company was incorporated on June 15, 2022 in compliance with the requirements of 'Operational Guidelines for the Production Linked Incentive (PLI) scheme for promoting Manmade fibre and Textile segments'. The Company has committed to provide support to fund the operations of ABGL in the forseeable future.
2. Folio of Mutual fund are held in the name of Aditya Birla Fashion and Retail Limited (Demerged Company) (refer note 48). Management will initiate the process to transfer these assets in the name of the Company.
3. The Company has received Mutual funds relating to Madura Fashion & lifestyle business pursuant to Composite Scheme.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans to employees	
Unsecured, considered good	0.48
Total	**0.48**

NOTE: 8 NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.51
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.51**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	0.49
Total	**203.74**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Standalone Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Standalone Balance Sheet		Standalone Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 Transferred pursuant to Composite Scheme (Refer note 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(93.90)	(31.99)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	33.95	(3.78)
Share-based payment	9.22	9.89	0.67
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	124.84	68.89
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.80)	(24.33)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**151.02**	**21.11**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	151.02
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note - 38)	(22.19)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note - 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17% .

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.65
Prepayments	5.51
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**53.75**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

See note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	233.07
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.09
Packing materials	5.07
Total	**2,107.52**

During the year ended March 31, 2025 ₹ Nil is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.13
Unsecured, considered doubtful	7.58
Expected credit loss	(7.58)
Total	**100.13**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.21
Trade receivables from related parties (Refer Note - 45)	151.34
	1,355.55
Less: Loss Allowances	(30.07)
Total	**1,325.48**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,265.08
	1,355.55

Ageing of Trade Receivables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						
		Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	Undisputed Trade receivables – considered good	1,107.10	110.30	84.18	28.52	-	-	1,330.10
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii)	Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii)	Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
	Disputed	-	-	-	0.43	0.59	7.50	8.52
	Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix)	Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x)	Expected credit loss	-	-	-	-	-	-	(3.32)
	Total	1,107.10	110.30	85.68	32.42	4.05	16.00	1,325.48

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	Expected credit loss (%) As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total	**-**	**-**	**581.55**

\# Impact is considered to be immaterial

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.59
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
As at the end of the year	**52.99**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.21	(79.22)	-	-	52.99
Current investments	361.75	244.57	-	(489.14)	117.18
Total (a)	**493.96**	**165.35**	**-**	**(489.14)**	**170.17**
Financing activities					
Non-current borrowings	1.99	(11.23)	-	10.28	1.04
Current borrowings (including current maturities of non-current borrowings)	1,339.78	(479.32)	-	(10.28)	850.18
Lease liabilities	1,904.30	(640.99)	-	716.95	1,980.26
Total (b)	**3,246.07**	**(1,131.54)**	**-**	**716.95**	**2,831.48**
Net debt (b-a)	**2,752.11**	**(1,296.89)**	**-**	**1,206.09**	**2,661.31**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.07
As at the end of the year	**0.07**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	15.90
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.06**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	22.95
Advance to suppliers	107.92
Export incentives	3.59
Balances with government authorities (other than income tax)	168.59
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**616.65**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters as at March 31, 2025		
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of shares held	% of paid-up share capital
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Company.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Reserves and surplus	
Retained earnings	
As at the beginning of the year	-
Profit/(Loss) for the period	69.00
As at the end of the year	**69.00**
Group share options outstanding account	
As at the beginning of the year	-
Pursuant to Composite Scheme	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Pursuant to Composite Scheme	(33.68)
As at the end of the year	**(33.68)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Gains/ (losses) during the period	(3.22)
As at the end of the year	**(3.22)**
Total	**1,293.85**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	1,220.26
Reserves and surplus	
Retained earnings	69.00
Group share options outstanding account	41.49
Capital reserve	(33.68)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.22)
Total	**1,293.85**

The description of the nature and purpose of each reserve within other equity is as follows:

1. **Share suspense account**

   Share suspense is created for the net assets transferred pursuant to the Composite Scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. **Retained earnings**

   Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. **Share options outstanding account**

   The fair value of the equity-settled share based payment transactions with employees is recognised in Standalone Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. **Capital reserve**

   This reserve is created against the difference in the net assets transferred and issuance of equity share capital in effect to the Composite Scheme. The reserve will be utilised in accordance with the provision of the Act.

5. **Remeasurement gains/ (losses) on defined benefit plans**

   The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Standalone Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Term loan from others			
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**1.04**

Current maturities of long-term borrowings

	Effective interest rate % p.a.	Maturity	As at March 31, 2025 ₹ in Crore
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Other borrowings (Unsecured) 1	8.00% - 14.37%	June 30, 2026	1.43
Total (included in Current Borrowings)			**500.71**
*Net off unamortised charges			
Aggregate secured borrowings			-
Aggregate unsecured borrowings			501.75

Note:-

(i) The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initaite the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Company.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to ₹ 1.92 Crore is repayable in monthly instalments till June 2026.

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note - 41)	9.87
Stock Appreciation Rights (SAR)	12.33
Total	**22.20**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	19.53
Total	**19.53**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note - 22)	500.71
Total current borrowings	**850.18**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	88.85
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,029.42
Total	**2,118.27**

*Includes payables to related parties (Refer Note: 45).

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

₹ in Crore

		As at March 31, 2025
a.	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
	Principal amount due to Micro and Small Enterprises*	101.57
	Interest due on the above	0.24
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c.	The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 12.96 Crore as at March 31, 2025 .

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

	Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
		Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)	MSME	84.32	4.05	-	0.00	0.03	88.40
(ii)	Others	971.15	973.44	65.80	4.97	12.52	2,027.88
(iii)	Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv)	Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	24.77
Derivative contracts	4.96
Employee Payable	102.62
Liability towards license rights	1.41
Total	**140.17**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	57.27
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note: 44)	50.02
Total	**140.83**

Movement of provision for pending litigations during the period:

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	53.09
Add: provision made during the period	0.78
Less: provision utilised during the period	(3.03)
Less: provision reversed during the period	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.15
Statutory dues (other than income tax)	36.36
Refund liabilities	499.11
Total	**567.35**

*** Deferred revenue**

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.55
Deferred during the period	46.29
Released to the Standalone Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

· Identify the contract with a customer;

continue to next page

- 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 from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Cpmpany's brand name. Revenue is recognised over time based on the terms of contracts with the customer

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	Period ended March 31, 2025
Revenue from sale of products	
Sale of products	7,747.46
Revenue from redemption of loyalty points (Refer Note: 30)	45.47
Total revenue from sale of products	**7,792.93**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.13
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.73**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,325.48
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.70
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(d) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss:

₹ in Crore

	Period ended March 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.70
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

(e) Disclosure of disaggregated revenue recognised in the Standalone Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.67
Revenue as per the Standalone Statement of Profit and Loss	**7,829.73**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	5.99
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note: 43a)	6.99
Miscellaneous income	19.60
Total	**77.27**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,055.89
	1,241.98
Less: Inventories at the end of the year	233.07
Total	**1,008.91**

₹ in Crore

	As at March 31, 2025
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	**2,146.68**
Total	**2,146.68**

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

₹ in Crore

	As at March 31, 2025
Opening inventories	
Finished goods	419.01
Stock-in-trade	1,568.20
Work-in-progress	20.49
	2,007.70
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	771.93
Contribution to provident and other funds (Refer Note: 41)	53.41
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.22
Staff welfare expenses	42.59
Total	**899.91**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	94.19
Interest on deposit	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**376.95**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	145.64
Depreciation on right-of-use assets (Refer Note: 4b & 43a)	499.04
Amortisation on intangible assets (Refer Note: 5)	56.97
Total	**701.65**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.25
Power and fuel	15.65
Electricity charges	71.23
Repairs and maintenance	
Buildings	0.01
Plant and machinery	0.71
Others	165.10
Insurance	6.54
Rates and taxes	15.05
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	120.94
Royalty expenses	14.10
Legal and professional	97.81
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.27
Travelling and conveyance	85.29
Bank and credit card charges	31.43
Payment to auditors (Refer details below)	1.51
Postage expenses	6.67
Foreign exchange loss (net)	16.10
Information technology	109.34
Outsourcing, housekeeping and security	429.94
Miscellaneous	43.08
Total	**1,678.27**

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.20
For tax audit fees	0.15
For other services	0.04
For reimbursement of expenses	0.12
Total	**1.51**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Standalone Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current income tax relating to earlier years		-
	(A)	-
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		22.19
	(B)	**22.19**
Total	(A+B)	**22.19**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**91.19**
Tax expense/ (income) at statutory income tax rate of 25.17%	**22.95**
Reconciling items:	
Expenses disallowed for tax purposes	0.47
Others	(1.23)
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**22.19**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss		69.00
Profit/(Loss) for calculation of EPS	(A)	**69.00**
Weighted average number of equity shares for calculation of Basic EPS	(B)	1,22,02,60,946
Profit / (Loss) per share - basic (₹)	(A/B)	**0.57**
Weighted average number of equity shares outstanding		1,22,02,60,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,22,02,60,946
Diluted EPS (₹)	(C)	**0.57**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 DISCLOSURE IN RESPECT OF CORPORATE SOCIAL RESPONSIBILITY UNDER SECTION 135 OF THE COMPANIES ACT, 2013 AND RULES THEREON

Requirements of Section 135 of the Companies Act, 2023 are not applicable to the Company during the period ended March 31, 2025.

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Company operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Company funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Company.

The Company has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Standalone Statement of Profit and Loss and Standalone Balance Sheet.

Net benefit expense recognised through the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/ (deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing defined benefit obligation	**82.96**

Amounts recognised in the Standalone Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

The principal assumptions used in determining gratuity liability for the Company are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	6.70%
Salary escalation rate	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	(3.66)	3.93
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)	3.91	(3.68)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.05
Between 2 and 5 years	35.74
Between 6 and 10 years	38.34
Beyond 10 years	97.52
Total	**182.65**

The Company is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	38.09
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	6.67
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Superannuation Fund	0.60
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.87
Total	**53.41**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment transactions	1.49
Expense arising from cash-settled share-based payment transactions	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below :-

	Option SARs	RSU SARs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-		-	
Transfer pursuant to Composite Scheme	3,88,363	164.23	84,976	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	**-**		**-**	
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 1 year.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors (""Board"") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 (""Scheme 2019""), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees. Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019

	Option SARs	RSU SARs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/ at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below :

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year:

	As at March 31, 2025			
	No. of Options	**Weighted average exercise price (₹ per share)**	**No. of RSUs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	14,78,113	209.50	2,47,625	10.00
Granted during the financial year	-	-	-	
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	**-**	**77,779**	
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below :

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting	Bullet vesting
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	**Weighted average exercise price (₹ per share)**	**No. of RSU SARs**	**Weighted average exercise price (₹ per share)**
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-		-	
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise of these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	1,813,089	578,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	1,813,089	317.93	578,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Unvested at the end of the financial year	**1,748,555**	**318.90**	**561,890**	**10.00**
Exercisable at the end of the financial year	**-**	**-**	**-**	**-**

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs as on grant date during the year:

	Options	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Company has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Company has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both

Expenses/ Income recognised in the Standalone Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.04
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Standalone Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.19
Total	**2,121.59**

The initial non-cancellable period of the lease agreement pertaining to stores are upto 3 years, beyond which there is an option for the Company to continue the lease, which the Company expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term of the stores. Post such period, the Company has the option to exit the lease by giving a notice period and the Company assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.26 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pursuant to the Business Combination (Refer Note 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual stores, upto 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	March 31, 2025	
Increase/ (Decrease) in sales	Increase by 5%	Decrease by 5%
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	39.87
Total	**39.87**

c) Other commitments

As at March 31, 2025, the Company has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	March 31, 2025
Claims against the Company not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	3.55
Textile committee cess	0.75
Others*	2.71
Total	**7.61**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Company's pending litigations comprise of claims against the Company primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for various taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Company has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025

Note :- As per the approved Composite Scheme of Arrangement, the Company has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025) *

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Wholly owned subsidiary

Aditya Birla Garments Limited

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Director with effect from April 09, 2024

Mr. Anil Malik- Director with effect from April 09, 202

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	241.45	-	-
Reimbursement of expenses recovered from	0.65	-	-
Purchase of goods	69.57	-	-
Reimbursement of expenses paid to	121.18	-	-
Production services given	11.21	-	-
Purchase of capital item	0.07	-	-
Transfer of Post-employment liabilities	0.86	-	-

₹ in Crore

	Year ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.44	-	-
Amounts owed by related parties	151.34	-	-

Note:-

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes:15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	112,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	375,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	260,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	171,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	170,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	406,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	246,340
Total				**1,810,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	113,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**460,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Level 1	Fair value Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.64	276.64	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,325.48	1,325.48	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	52.99	52.99	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.07	0.07	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	279.80	279.80	-	-	-
Total	**117.18**	**-**	**1,941.20**	**2,058.38**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	1.04	1.04	-	-	-
Current borrowings (Refer Note - 26)	-	-	850.18	850.18	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,118.27	2,118.27	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	653.25	653.25	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,147.59**	**4,152.55**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

The investments made in a subsidiary as at March 31, 2025 is ₹ 35 Crore and is measured at cost.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) Forward contracts: Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Company (level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Company, pursuant to the demerger.

b) Investment**:**

i) Quoted investments: Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Company's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Company's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	(1.65)	1.65
Increase/ (decrease) in Profit/ loss after tax	(1.23)	1.23

The assumed movement in interest rates for interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities denominated in foreign currency.

The Company manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Company has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the Standalone Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy (Hedge of payables)	USD	4.97	433.08

The details of unhedged foreign currency exposure as at the Standalone Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Company's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

	March 31, 2025	
Percentage change (%)	**0.5% Increase**	**0.5% Decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Company only deals with parties which has good credit rating given by external rating agencies or based on the Company's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Standalone Statement of Profit and Loss.

The Company is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Company has 24 customers that owed the Company more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Company's maximum exposure to credit risk for the components of the Standalone Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Company monitors its risk of shortage of funds. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 99.88% of the Company's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to various sources of funding.

The below tables summarises the maturity profile of the Company's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	888.65	1.04	-	889.69
Lease liabilities	566.20	1,188.20	367.19	2,121.59
Other financial liabilities	190.74	236.76	911.76	1,339.26
Deposits	250.55	274.30	-	524.85
Trade payables	2,118.27	-	-	2,118.27
Total	**4,014.41**	**1,700.30**	**1,278.95**	**6,993.66**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

The Company is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March 31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Company's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Company is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	850.18
Long-term debts	1.04
Total borrowings	**851.22**
Equity (including share suspense)	1,293.90

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

NOTE 48: BUSINESS COMBINATION

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger. Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024. Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	454.13
Capital work-in-progress	17.74
Goodwill	692.05
Other intangible assets	552.34
Right to use	1,495.32
Financial assets	
(i) Investment in equity of a subsidiary	35.00
(ii) Loans	0.41
(iii) Security deposits	180.20
(iv) Other financial assets	197.55
Deferred tax assets (net)	151.02
Non-current tax assets (net)	11.09
Other non-current assets	39.74
Total - Non-current assets	**3,826.59**
Current assets	
Inventories	2,201.29
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.49
(iii) Security deposits	70.66
(iv) Trade receivables	940.96
(v) Cash and cash equivalent	132.21
(vi) Bank balance other than above	0.05
(vii) Other financial assets	79.12
Other current assets	662.05
Total - Current assets	**4,455.58**
TOTAL - ASSETS - A	**8,282.17**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	1.99
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	506.17
Provisions	7.42
Other non-current liabilities	19.69
Total - Non-current liabilities	**2,204.46**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,339.78
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	64.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,886.03
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	116.15
Provisions	128.62
Other current liabilities	558.57
Total - Current liabilities	**4,851.13**
Total - Liabilities - B	**7,055.59**
Net Assets - C (A - B)	**1,226.58**

Against the net assets of ₹ 1,226.58 Crore, the Company has created share suspense and share based payment reserve of ₹1220.26 crore and ₹40.00 Crore respectively and the balance of ₹(33.68) Crore has been recognised as Capital reserve

NOTE - 49 RATIO DISCLOSURES

	As at March 31, 2025	Reasons for variance more than 25%
Current ratio (times)1	1.08	Refer note below
Debt equity ratio (times)2	0.39	
Debt service coverage ratio (times)3	1.52	
Return On Equity (%)4	5.48%	
Inventory turnover (times)5	3.63	
Debtors turnover (times)6	6.91	
Trade Payables turnover (times)7	1.57	
Net capital turnover (times)8	5.97	
Net profit margin (%)9	0.88%	
Return On Average Capital Employed (%)10	10.88%	
Return On Investment (%)11	5.69%	

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity

   Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments

   Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables
7. Trade payables turnover = Total Purchases / Average of opening and closing Trade Payables
8. Net capital turnover = Revenue from Operations for the period / Average of opening and closing Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings before interest and tax / Average of opening and closing Capital Employed
11. Return on Investment = Earnings before interest and tax / Average of opening and closing Total Assets

    * Finance cost/ interest comprises of Interest expense on borrowings and excludes interest expense on lease liabilities and interest charge on fair value of financial instruments.

Note:

1. The Ratio have been calculated considering the assets and liabilities acquired by the company pursuant to the scheme of arrangement as opening assets and liabilities.
2. The Company was incorporated on April 09, 2024. This is the first financial statements of the Company. Accordingly, explanation of reason for variance more than 25% is not applicable in the current year.

NOTE - 50 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company. The company's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Company measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Standalone 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.

continue to next page

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

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, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Standalone Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone 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 Standalone Statement of Profit and Loss are also reclassified in OCI or the Standalone Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) 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 Standalone Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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 utilized. 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.

The Company had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Standalone Statement of Profit and Loss are recognised outside the Standalone 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Standalone Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Standalone Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Standalone 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 Standalone Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Standalone Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Standalone Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) 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 Standalone 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 are recognised in the Standalone 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 Standalone 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.

(j) 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 and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Standalone Statement of Profit and Loss are recognised immediately in the Standalone Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the company applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Standalone Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Standalone Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss. The net gain or loss recognised in the Standalone Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Call options over shares in the acquired subsidiary is initially recognised as a financial asset at fair value, with subsequent changes in fair value recognised in the standalone statement of profit and loss.

(iv) Equity investments

Investment in Subsidiaries is out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries at cost. All other equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Standalone Balance Sheet.

The Company determines whether it is necessary to recognise an impairment loss on its investment in its subsidiaries. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiaries is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiaries its carrying value, and then recognises the impairment loss in the Standalone statement of profit and loss.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Standalone Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may, be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Standalone Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Standalone Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Standalone Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Standalone Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Standalone Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Standalone Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as the transaction cost of the loan to the extent it is probable that some or all of the facility will be drawn down, the fees are deferred until the draw down occurs. To the extent that there is no evidence that is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Standalone Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Standalone Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Standalone Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

  For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

  The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Standalone Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Standalone Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Standalone Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Company de-recognises financial liabilities only when the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Standalone Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Standalone Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks and options contract in accordance with agreement. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Standalone Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the Standalone Statement of Profit and Loss when the hedge item affects the Standalone Statement of Profit and Loss or treated as basis adjustment, if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Standalone Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company (Refer Note – 44).

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Company makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Standalone Statement of Profit and Loss, on accrual basis. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Company operates a defined benefit gratuity plan in India. The Company operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. The gratuity plan is funded (maintained by an independent insurance company) hence the liability has been categorized as funded. The Company's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Standalone Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Standalone Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Standalone Statement of Profit and Loss.

(d) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation in the Standalone Statement of Profit and Loss.

The Company presents the entire leave as a current liability in the Standalone Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Company's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Standalone Balance Sheet and for the purpose of the Standalone Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Company under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

During the period, the Company was not granted working capital loans secured by current assets; therefore, it was not required to file quarterly statements with any banks or financial institutions.

(v) WILFUL DEFAULTER

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Company has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries."

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

In accordance with the Scheme of Arrangement, the Company has assumed unsecured borrowings from the Demerged Company and, as a result, is not required to register charges with the Registrar of Companies.

NOTE - 53 Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

THE CONSOLIDATED FINANCIAL STATEMENTS / INFORMATION ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025.

Consolidated Balance Sheet as at March 31, 2025

₹ in Crore

	Notes	As at March 31, 2025
ASSETS		
I Non-current assets		
(a) Property, plant and equipment	3a	638.54
(b) Capital work-in-progress	3b	13.00
(c) Right-of-use assets	4a	1,524.37
(d) Goodwill	5	627.67
(e) Other intangible assets	5	489.60
(f) Financial assets		
(i) Loans	7	0.48
(ii) Security deposits	8	176.73
(iii) Other financial assets	9	204.67
(g) Deferred tax assets (net)	10	129.91
(h) Non-current tax assets (net)		14.76
(i) Other non-current assets	11	54.05
Total - Non-current assets		**3,873.78**
II Current assets		
(a) Inventories	12	2,108.82
(b) Financial assets		
(i) Current investments	6	117.18
(ii) Loans	13	5.74
(iii) Security deposits	14	100.15
(iv) Trade receivables	15	1,322.05
(v) Cash and cash equivalents	16	53.06
(vi) Bank balance other than cash and cash equivalents	17	0.59
(vii) Other financial assets	18	76.16
(c) Other current assets	19	621.50
Total - Current assets		**4,405.25**
TOTAL - ASSETS		**8,279.03**
EQUITY AND LIABILITIES		
I Equity		
(a) Equity share capital	20	0.05
(b) Share Suspense	21	1,220.26
(c) Other equity	21	56.22
Total - Equity		**1,276.53**
II Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	22	77.44
(ii) Lease liabilities	4b	1,516.88
(iii) Deposits		274.30
(iv) Other financial liabilities	23	518.08
(b) Provisions	24	22.71
(c) Other non-current liabilities	25	26.02
Total - Non-current liabilities		**2,435.43**
III Current liabilities		
(a) Financial liabilities		
(i) Borrowings	26	874.75
(ii) Lease liabilities	4b	463.38
(iii) Trade payables		
Total outstanding dues of micro enterprises and small enterprises	27	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	27	2,032.21
(iv) Deposits		250.55
(v) Other financial liabilities	28	147.36
(b) Provisions	29	141.64
(c) Other current liabilities	30	568.07
Total - Current liabilities		**4,567.07**
TOTAL - EQUITY AND LIABILITIES		**8,279.03**
Basis of preparation	2	

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

Consolidated Statement of Profit and Loss for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
I Revenue from operations	31	7,829.96
II Other income	32	77.71
III Total income (I + II)		**7,907.67**
IV Expenses		
(a) Cost of materials consumed	33a	1,010.33
(b) Purchase of stock-in-trade	33b	2,121.28
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33c	140.41
(d) Employee benefits expense	34	918.42
(e) Finance costs	35	382.00
(f) Depreciation and amortisation expense	36	705.73
(g) Rent expense	43a & 4a	764.70
(h) Other expenses	37	1,683.06
Total expenses		**7,725.93**
V Profit/(Loss) before exceptional items and tax (III - IV)		**181.74**
VI Exceptional items	37a	(98.33)
VII Profit/(Loss) before Tax (V + VI)		**83.41**
VIII Income tax expense		
(a) Current tax	38	-
(b) Current tax relating to earlier years	38	-
(c) Deferred tax	38	23.81
		23.81
IX Profit/(Loss) for the year (VII - VIII)		**59.60**
X Other comprehensive income		
Items that will not be reclassified to profit or loss		
(a) Re-measurement gains/ (losses) on defined benefit plans	21	(4.37)
Income tax effect on above		1.08
Total other comprehensive income for the year		**(3.29)**
XI Total comprehensive income for the year (IX + X)		**56.31**
XII Earnings per equity share [Nominal value of share ₹ 10]	**39**	
Basic (₹)		0.49
Diluted (₹)		0.49
Basis of preparation	2	

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

Consolidated Statement of Changes in Equity for the period ended March 31, 2025

a. Equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each issued		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity shares of ₹ 10 each subscribed and paid up		
As at the beginning of the year	-	-
Equity share issued on incorporation of the company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

b. Other equity

	Reserves and surplus			Other Comprehensive Income	Total other equity	Share suspense account (Refer Note - 21)
	Retained earnings (Refer Note-21)	Group share based payment reserve(Refer Note - 21)	Capital reserve (Refer Note - 21)	Remeasurement gains/ (losses) on defined benefit plans (Refer Note - 21)		
As at April 1, 2024	-	-	-	-	-	-
Profit for the year	59.60	-	-	-	59.60	-
Other comprehensive income for the year				(3.29)	(3.29)	
Pursuant to Composite scheme	-	40.00	(41.58)	-	(1.58)	1,220.26
Capital contribution on Group share-based payment	-	1.49	-	-	1.49	-
As at March 31, 2025	**59.60**	**41.49**	**(41.58)**	**(3.29)**	**56.22**	**1,220.26**

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

Consolidated Statement of Cash Flows for the period ended March 31, 2025

₹ in Crore

	Notes	Period ended March 31, 2025
Cash flows from operating activities		
Profit/(Loss) before tax		83.41
Adjustments for:		
Depreciation, impairment and amortisation expense	36 and 37a	788.55
Finance costs	35	382.00
Gain on termination of right-of-use assets (Including Exceptional item)	32 and 37a	(8.93)
(Profit)/ Loss on sale/discard of property, plant and equipment	32	(0.01)
Share-based payment	34	19.76
Interest income	32	(6.08)
Net gain on current investments (including on redemption)	32	(0.07)
Net Unrealised exchange (gain)/ loss		14.03
Interest income from financial assets at amortised cost	32	(44.68)
Provision for doubtful debts, deposits and advances	37	1.68
Bad debts written off		0.86
Operating profit before working capital changes		**1,230.52**
Changes in working capital:		
(Increase)/ decrease in trade receivables		(376.81)
(Increase)/ decrease in inventories		92.53
(Increase)/ decrease in other assets		57.21
Increase/ (decrease) in trade payables		166.32
Increase/ (decrease) in provisions		26.52
Increase/ (decrease) in other liabilities		(48.57)
Cash generated from/ (used) in operations		**1,147.72**
Income taxes paid (net of refund)		(3.55)
Net cash flows from/ (used) in operating activities		**1,144.17**
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets		(246.48)
Proceeds from sale of property, plant and equipment and intangible assets		2.95
(Purchase)/proceeds from sale or redemption of current investments (net)		244.64
Interest received		5.84
Net cash flows from/ (used) in investing activities		**6.95**
Cash flows from financing activities		
Proceeds from issue of equity shares		0.05
Proceeds from non-current borrowings (net off charges)		37.21
Proceeds/ (repayments) of current borrowings (net)		(478.71)
Repayment of non-current borrowings		(11.83)
Repayment of lease liabilities		(453.22)
Interest paid on lease liabilities		(187.74)
Interest paid	35	(136.17)
Net cash flows from/ (used) in financing activities		**(1,230.41)**
Net (Decrease)/ Increase in cash and cash equivalents		**(79.29)**
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents acquired pursuant to Composite scheme (Refer note: 48)		132.35
Cash and cash equivalents at the end of the year	**16**	**53.06**
Components of Cash and cash equivalents		
Balances with banks - on current accounts		19.66
Balances with credit card companies		29.87
Cash on hand		0.42
Cheques/ drafts on hand		3.11
Total Cash and cash equivalents		**53.06**

Notes to the Consolidated Financial Statements for the period ended March 31, 2025

1. Corporate information

Aditya Birla Lifestyle Brands Limited (the "Company" or "the Holding Company), a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at Piramal Agastya Corporate Park, Building 'A', 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai - 400 070.

The Company and its subsidiaries (together referred as the "Group") are engaged in the business of manufacturing and retailing of branded apparels/accessories and runs a chain of apparels and accessories retail stores in India.

The Consolidated financial statements, as reviewed and recommended by the Audit Committee, have been approved by the Board of Directors in their meeting held on May 23, 2025.

2. Basis of preparation

2.1 Compliance with Ind AS and historical cost convention

The Consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), read with Section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division III 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;
- Share-based payment; and
- Derivative financial instruments.

2.2 Functional and Presentation Currency:

The financial statements are presented in Indian Rupee (₹) which is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest Crore, unless otherwise stated. (₹ 1 Crore is equal to ₹ 10 Million)

2.3 Current versus non-current classification

The Group presents assets and liabilities in the Consolidated 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 no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

2.4 Critical Accounting Judgements, Estimates And Assumptions

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, 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 amounts of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

The key assumptions concerning the future and other key sources of estimation, 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 Group's assumptions and estimates are based on parameters available at the time of preparation of financial statements. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) Impairment of non-financial assets including Goodwill

Impairment exists when the carrying value of an asset or Cash-Generating Unit (CGU) exceeds its recoverable amount, which is higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next three years and next 2 years have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. These cashflows are considered as a base to arrive at the value of perpetuity. The budget do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the value in use for the different CGUs, are disclosed and further explained in Note – 5a

(b) Share-based payment

The Group uses the most appropriate valuation model depending on the terms and conditions of the grant, including the expected life of the share option, volatility and dividend yield. For cash-settled transactions, the liability needs to be remeasured at the end of each reporting period upto the date of settlement, with any changes in fair value recognised in the Consolidated Statement of Profit and Loss. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note - 42.

(c) Provision on inventories

The Group has defined policy for provision on inventory for each of its business by differentiating the inventory into core and non-core (fashion) and sub-categorised into finished goods and raw materials. The Group provides provision based on policy, past experience, current trend and future expectations of these materials depending on the category of goods.

(d) Provision for discount and sales return

The Group provides for discount and sales return based on season wise, brand wise and channel wise trend. The Group reviews the trend at regular intervals to ensure the applicability of the same in the changing scenario, and based on the management's assessment of market conditions.

(e) Leases

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

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. It considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

2.5 New and amended standards adopted by the Group:

The Ministry of Corporate Affairs has vide notification dated May 7, 2025 notified Companies (Indian Accounting Standards) Amendment Rules, 2025 (the 'Rules') which amended the following accounting standards. These amendments are effective from April 01, 2025. a) Ind AS 21, "The Effects of Changes in Foreign Exchange Rates b) Ind AS 101, First-time Adoption of Indian Accounting Standards. The above amendments are not likely to have any material impact on the financial statements of the Company.

2.6 Principles of consolidation

The consolidated financial statements (CFS) comprise the financial statements of the Company and its Subsidiary. Subsidiary is the entity controlled by the Group. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110) notified under Section 133 of the Companies Act, 2013. The Group controls an investee only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedures for subsidiaries:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the Parent of the Group and to the non- controlling interests, even if this results in the non- controlling interests having a deficit balance.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiary is accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

NOTE: 3a PROPERTY, PLANT AND EQUIPMENT

Acounting Policy

Freehold land is carried at historical cost. Property, plant and equipment is stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is calculated on a straight-line basis over the useful life of the asset estimated by the management. Depreciation on additions is provided on a pro rata basis from the month of installation or acquisition. Depreciation on deletions/ disposals is provided on a pro rata basis up to the month preceding the month of deletions/ disposals. The management believes that the estimated useful lives below reflect fair approximation of the period over which the assets are likely to be used.

(a) Assets where useful life is same as Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013
Factory buildings	Freehold buildings	30 years
Fences, wells, tube wells	Freehold building	5 years
Borewells (pipes, tubes and other fittings)	Freehold building	5 years
Plant and machinery (other than retail stores)	Plant and equipment	15 years
Other office equipment	Office equipment	5 years
Electrical installations and equipment (at factory)	Plant and equipment	10 years

(b) Assets where useful life differ from Schedule II

Assets	Class of Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated useful life
Other than continuous process plant (single shift)	Plant and equipment	15 years	20 years
Plant and machinery – retail stores	Plant and equipment	15 years	5 – 6 years
Furniture and fittings – retail stores	Furniture and fixtures	10 years	5 – 6 years
Furniture and fittings – shop in shop stores	Furniture and fixtures	10 years	3 years
Motorcycles, scooters and other mopeds	Vehicles	10 years	5 years
Motor buses, motor lorries and motor cars other than those used in a business of running them on hire	Vehicles	6 years for motor cars and 8 years for motor buses and motor lorries	4 – 5 years
Servers, end user devices, such as desktops, laptops, etc.	Computers	3 years for end user devices and 6 years for servers	3 - 4 years
Furniture and fittings (other than retail stores)	Furniture and fixtures	10 years	7 years
Office electrical equipment	Office equipment	5 years	4 - 6 years
Air conditioner (Other than retail stores)	Office equipment	5 years	15 years
Electrically operated vehicles including battery powered or fuel cell powered vehicles	Vehicles	8 years	5 years

Useful life of assets different from that prescribed in Schedule II has been estimated by the management, supported by technical assessment.

Property, plant and equipment taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Leasehold assets

Assets	Estimated useful life
Leasehold improvements at stores	Lease term or management's estimate of useful life, whichever is shorter
Leasehold improvements other than stores	

Refer note 51 for other accounting policies relevant to property, plant and equipment

Property, Plant and Equipment

₹ in Crore

Cost	Freehold land	Freehold buildings	Plant and equipment	Leasehold improvements	Computers	Furniture and fixtures	Office equipment	Vehicles	Total
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	5.92	66.50	323.76	201.56	55.93	265.04	27.98	27.13	973.82
Additions	0.26	44.41	65.41	51.62	12.60	83.38	11.29	18.28	287.25
Disposals	-	-	5.34	19.86	10.56	26.51	2.88	4.36	69.51
As at March 31, 2025	**6.18**	**110.91**	**383.83**	**233.32**	**57.97**	**321.91**	**36.39**	**41.05**	**1,191.56**
Depreciation									
As at April 1, 2024	-	-	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	10.36	134.62	105.80	23.64	175.35	15.35	4.61	469.73
Depreciation for the year (Refer Note: 36)	-	2.75	23.44	42.32	12.38	53.51	7.36	7.92	149.68
Disposals	-	-	4.89	19.84	10.52	26.27	2.88	1.99	66.39
As at March 31, 2025	**-**	**13.11**	**153.17**	**128.28**	**25.50**	**202.59**	**19.83**	**10.54**	**553.02**
Net carrying value as at:									
March 31, 2025	**6.18**	**97.80**	**230.66**	**105.04**	**32.47**	**119.32**	**16.56**	**30.51**	**638.54**

Net carrying value

₹ in Crore

	As at March 31, 2025
Property, plant and equipment	638.54
Total	**638.54**

Note: The Group has received assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Property, Plant and Equipment are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to the transfer these assets in the name of the Holding Company or its Subsidiary.

NOTE: 3b CAPITAL WORK-IN-PROGRESS

₹ in Crore

	As at March 31, 2025
Capital work-in-progress	13.00
Total	**13.00**

Ageing of Capital work-in-progress as on March 31, 2025

₹ in Crore

Capital work-in-progress	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	13.00	-	-	-	13.00
(ii) Projects temporarily suspended	-	-	-	-	-

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

NOTE: 4 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Accounting Policy

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. 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 assess whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, either the Group has the right to operate the asset; or the Group designed the asset in a way that predetermines how and for what purpose it will be used.

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 their relative stand-alone prices.

Where the Group is the lessee

Right-of-use assets

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for short-term leases which are less than 12 months and leases of low value assets. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for certain remeasurements of the lease liability.

Right-of-use assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been depreciated over their remaining estimated useful lives.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed payments, including in-substance fixed payments. The lease liabilities are measured at amortised cost using the effective interest method.

In addition, the carrying amount of lease liabilities is re-measured if there is a modification arising due to change in the lease term, change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero and there is a further reduction in measurement of the lease liability.

The Group presents right-of-use assets that do not meet the definition of investment property, and lease liabilities, separately in the Consolidated Balance Sheet.

Short-term leases and leases of low value assets

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

Where the Group is the lessor

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

(a) Right-of-use assets

₹ in Crore

	Land	Buildings	Plant and equipmen	Computers	Furniture and fixtures	Office equipment	Total
Cost							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	11.33	2,648.24	15.60	-	84.96	3.49	2,763.62
Additions	-	604.48	-	-	4.51	-	608.99
Termination	-	511.61	-	-	-	-	511.61
As at March 31, 2025	**11.33**	**2,741.11**	**15.60**	**-**	**89.47**	**3.49**	**2,861.00**
Depreciation							
As at April 1, 2024	-	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	0.96	1,198.19	10.65	-	55.71	1.93	1,267.44
Depreciation for the year (Refer Note: 36)	0.16	477.78	3.09	-	17.35	0.68	499.06
Termination	-	429.87	-	-	-	-	429.87
As at March 31, 2025	**1.12**	**1,246.10**	**13.74**	**-**	**73.06**	**2.61**	**1,336.63**
Net carrying value as at:							
March 31, 2025	**10.21**	**1,495.01**	**1.86**	**-**	**16.41**	**0.88**	**1,524.37**

Note:The Group has received Right-of-use assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. Title deeds of Right-of-use assets are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Company) (Refer Note:48). Management will initiate the process to transfer these assets in the name of the Holding Company or its Subsidiary.

Net carrying value

₹ in Crore

	As at March 31, 2025
Right-of-use assets	1,524.37
Total	**1,524.37**

(b) Lease liabilities

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**1,904.30**
Additions	675.94
Retirements	(88.21)
Interest expense on lease liabilities	187.74
Payments	(699.51)
Closing balance	**1,980.26**

Note: Lease liabilities includes liabilities for net investment in sub-lease amounting to ₹ 263.41 crore.

Curren	**463.38**
Non-current	**1,516.88**

For maturity analysis of lease liabilities, Refer Note - 43.

NOTE: 5 GOODWILL AND OTHER INTANGIBLE ASSETS

Accounting Policy

Intangible assets are stated at cost less accumulated amortisation and impairment.

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
Computer software	3 - 4 years	Amortised on straight-line basis

continue to next page

Brands/ trademarks	10 years	Amortised on straight-line basis
Technical knowhow	10 years	Amortised on straight-line basis
Franchisee rights	20 years	Amortised on straight-line basis over the period of franchise agreement

Intangible Assets taken over pursuant to the Scheme of Arrangement from Aditya Birla Fashion and Retail Limited have been amortised over their remaining estimated useful lives.

Refer note 51 for other accounting policies relevant to Intangible Assets

₹ in Crore

	Goodwill	Brands/ Trademarks	Computer software	Technical know - how	Franchisee/ License rights	Total
Cost						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	692.05	8.46	106.81	0.43	562.37	1,370.12
Additions	-	5.29	1.44	5.93	-	12.66
Disposals	-	-	0.01	-	33.81	33.82
As at March 31, 2025	**692.05**	**13.75**	**108.24**	**6.36**	**528.56**	**1,348.96**
Amortisation						
As at April 1, 2024	-	-	-	-	-	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-	6.50	59.51	0.27	59.39	125.67
Amortisation for the year (Refer Note:36)	-	1.33	21.36	1.96	32.34	56.99
Impairment	64.38	-	-	-	18.44	82.82
Disposals	-	-	0.01	-	33.78	33.79
As at March 31, 2025	**64.38**	**7.83**	**80.86**	**2.23**	**76.39**	**231.69**
Net carrying value as at:						
March 31, 2025	**627.67**	**5.92**	**27.38**	**4.13**	**452.17**	**1,117.27**

Note: The company has received Intangible assets relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme. (Refer Note:48)

Net carrying value

₹ in Crore

	As at March 31, 2025
Goodwill	627.67
Other intangible assets	489.60
Total	**1,117.27**

NOTE: 5a IMPAIRMENT TESTING OF GOODWILL

Goodwill acquired through various business combinations have been allocated to the two Cash-Generating Units (CGUs) as below:

1. Madura Fashion & Lifestyle CGU
2. Forever 21 CGU

Goodwill relating to Madura Fashion & Lifestyle and Forever 21 undertakings were taken over pursuant to approval of the scheme of arrangement between the Company and Aditya Birla Fashion and Retail Limited (Demerged Company) by the NCLT on March 27, 2025 (Refer Note:48).

Madura Fashion & Lifestyle CGU

Madura Undertaking is a leading premium branded apparel player in India with brands like Louis Philippe, Van Heusen, Allen Solly and Peter England and having licences to retail various international brands like Reebok, American Eagle and Simon Carter. The Madura Garments division is involved in manufacturing of garments.

Forever 21 CGU

Forever 21 business comprising of operating retail stores in India for the sale of clothing, artificial jewellery, accessories and related merchandise under the brand name "Forever 21" ("F21"), is considered as a separate CGU. At September 30, 2024, management has recognised the operations of Forever 21 CGU and re-estimated the recoverable amount of the Forever 21 CGU, using the value-in-use (VIU) method. On the basis of evaluation, management has recognised an impairment provision of ₹ 64.38 crores during the period ended September 30, 2024

Carrying amounts of Goodwill allocated to each of the CGUs are as below:

₹ in Crore

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	627.67
Forever 21 CGU	-
Total	**627.67**

Disclosures with respect to Goodwill allocated to the CGUs

Value in use calculation of Madura Fashion and Lifestyle CGUs:

The recoverable amount of the CGUs as at March 31, 2025, have been determined based on value in use method using cash flow projections from financial budgets approved by senior management covering a three - year period ending March 31, 2028 and cash flow projections for financial years 2029 and 2030 have been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows. The Holding Company has considered a terminal growth rate of 5% to arrive at the value in use to perpetuity beyond March 31, 2030. The post-tax discount rate is applied to discounted future cash flow projections. It is concluded that the carrying value of goodwill does not exceed the value in use. As a result of this analysis, the management did not identify impairment for these CGUs.

Key assumptions used for value in use calculations

Discount rates:

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both cost of debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate.

Discount Rate

	As at March 31, 2025
Madura Fashion & Lifestyle CGU	12.50%
Forever 21 CGU	NA

Pre-tax discount rate (as derived) is 15.30%.

Growth rate estimates:

Rates are based on published industry research. Growth rate is based on the Company's projection of business and growth of the industry in which the CGU is operating. The growth rate is in line with the long-term growth rate of the industry . The growth rate of the CGU considers the Company's plan to launch new stores, expected same store growth and change in merchandise.

No reasonable possible change in key assumptions are likely to result in the recoverable amount of the CGU being less than their carrying amount.

NOTE: 6 Current Investments

₹ in Crore

	As at March 31, 2025
Current Investments (Carried at fair value through profit and loss (FVTPL))	
Quoted investments	
Investment in Mutual Fund Schemes	117.18
Total	**117.18**

Aggregate book value of quoted investments	117.18
Aggregate market value of quoted investments	117.18
Aggregate amount of impairment in value of investments	-

Note:

(i) The Group has received Mutual Funds relating to Madura Fashion & Lifestyle business pursuant to Composite Scheme.

(ii) Folio of Mutual Funds are held in the name of Aditya Birla Fashion & Retail Limited (Demerged Group) (Refer Note:48). Management will initiate the process to the transfer these Mutual Funds in the name of the Group.

NOTE: 7 NON-CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	0.48
Total	**117.18**

NOTE: 8NON-CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	176.73
Unsecured, considered doubtful	0.83
Expected credit loss	(0.83)
Total	**176.73**

NOTE: 9 NON-CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Lease receivables (from sub-lease arrangements)	203.25
Other bank balance	
Bank deposits with more than 12 months maturity from the Balance Sheet date	1.42
Total	**204.67**

NOTE: 10 DEFERRED TAX ASSETS (NET)

Reflected in the Consolidated Balance Sheet as follows:

₹ in Crore

	As at March 31, 2025
Deferred tax assets	129.91
Deferred tax assets/ (liabilities) (net)	**129.91**

Deferred tax assets / (liabilities) relates to the following:

₹ in Crore

	Consolidated Balance Sheet		Consolidated Statement of Profit and Loss
	As at March 31, 2025	As at April 01, 2024 transferred pursuant to Composite Scheme (Refer Note: 48)	Period ended March 31, 2025
Difference between carrying amount of property, plant and equipment and intangible assets and their tax base	(61.91)	(94.35)	(32.44)
Disallowance under Section 43B and 40(a)(ia) of the Income Tax Act, 1961	37.73	34.16	(3.57)
Share-based payment	9.22	9.88	0.66
Business and depreciation loss as per income tax computations available for off-set against future taxable income	55.95	126.70	70.75
Impact of Ind AS			
a) ROU assets - Ind AS 116	(383.47)	(407.79)	(24.32)
b) lease liabilities - Ind AS 116	498.43	512.74	14.31
c) Others	(33.84)	(36.64)	(2.80)
Others	7.80	7.94	0.14
Net deferred tax assets/ (liabilities)	**129.91**	**152.64**	**22.73**

Reconciliation of deferred tax assets/ (liabilities) (net):

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	**152.64**
Deferred tax (credit) / charge recognised in profit and loss during the year (Refer Note: 38)	(23.81)
Deferred tax (credit) / charge recognised in OCI during the year (Refer Note: 38)	1.08
As at the end of the year	**129.91**

Note:-

(i) Deferred tax assets, being the differences between carrying amount and tax bases of assets and liabilities, have been determined and taken over on April 01, 2024. Business and depreciation losses have been apportioned to the Company in accordance with the requirements of Section 72A(4) of the Income Tax Act, 1961.

(ii) Unabsorbed depreciation does not have any expiry period.

(iii) Corporate tax rate considered for arriving at the above amounts is 25.17%

NOTE: 11 OTHER NON-CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Capital advances	2.88
Prepayments	5.58
Balances with government authorities (other than income tax)	33.75
Other receivables	11.84
Total	**54.05**

NOTE: 12 INVENTORIES

Accounting Policy

Raw materials, components, stores and spares, and packing materials are valued at lower of cost and net realisable value. Cost is

Aditya Birla Lifestyle Brands Limited

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determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average cost basis.

Refer note 51 for other accounting policies relevant to inventories

₹ in Crore

	As at March 31, 2025
At lower of cost and net realisable value	
Raw materials	234.24
Includes Goods-in-transit ₹ 27.57 Crore	
Work-in-progress	20.22
Finished goods	467.92
Stock-in-trade	1,379.15
Includes Goods-in-transit ₹ 63.19 Crore	
Stores and spares	2.22
Packing materials	5.07
Total	**2,108.82**

During the year ended March 31, 2025 ₹ 0 is recognised as reversal of provision for obsolescence of inventories carried at net realisable value.

NOTE: 13 CURRENT FINANCIAL ASSETS - LOANS

₹ in Crore

	As at March 31, 2025
Loans and advances to employees	
Unsecured, considered good	5.74
Total	**5.74**

NOTE: 14 CURRENT FINANCIAL ASSETS - SECURITY DEPOSITS

₹ in Crore

	As at March 31, 2025
Security deposits	
Unsecured, considered good	100.15
Unsecured, considered doubtful	7.58
Provision for doubtful deposits	(7.58)
Total	**100.15**

NOTE: 15 TRADE RECEIVABLES

Accounting Policy

Trade receivables are amounts due from customers for goods sold or services provided in the ordinary course of business and reflect the Company's unconditional right to consideration (that is, payment is due only on the passage of time).

Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

₹ in Crore

	As at March 31, 2025
Trade receivables from others	1,204.42
Trade receivables from related parties (Refer Note:45)	147.70
	1,352.12
Less: Loss Allowances	(30.07)
Total	**1,322.05**

Break-up for security details:

₹ in Crore

	As at March 31, 2025
Trade receivables	
Secured, considered good	90.47
Unsecured, considered good	1,261.66
	1,352.13

Ageing of Trade Receivables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)						Total
	Not due	0 - 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,103.67	110.30	84.18	28.52	-	-	1,326.67
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Undisputed - Credit Impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(viii) Trade Receivables assessed for credit risk on individual basis:	-	-	-	-	-	-	-
Disputed	-	-	-	0.43	0.59	7.50	8.52
Undisputed	-	-	1.50	3.47	3.46	8.50	16.93
(ix) Provision on Trade Receivables assessed on individual basis	-	-	-	-	-	-	(26.75)
(x) Expected credit loss	-	-	-	-	-	-	(3.32)
Total	**1,103.67**	**110.30**	**85.68**	**32.42**	**4.05**	**16.00**	**1,322.05**

No trade or other receivables is due from directors or other officers of the Company either severally or jointly with any other person.

For terms and conditions relating to related party receivables, refer Note - 45.

Trade receivables are generally non-interest bearing and the credit period generally ranges between 30 to 180 days.

Based on the risk profiling for each category of customer, the Company has not evaluated credit risk where the risk is mitigated by collateral. The Company has therefore evaluated credit risk for departmental, depletion, e-commerce b2b, e-commerce b2c, export and trade customers. The Company follows the simplified approach method for computing the expected credit loss. Additionally, specific provisions are considered taking into account customer related specific information over and above probability of default (PD). Provision matrix takes into account historical credit loss experience adjusted for forward-looking estimates and macro-economic factors. The expected credit loss allowance is based on the ageing of the receivables and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	0.00%	0.00%	0.52%
0-90 days	0.00%	0.00%	0.60%
91-180 days	0.00%	0.00%	0.74%
181-365 days	0.00%	0.00%	0.80%
1-2 years	0.00%	0.00%	0.93%
2-3 years	0.00%	0.00%	1.03%

Ageing of receivables on which impairment allowance of doubtful debts is applied

₹ in Crore

	As at March 31, 2025		
	Departmental stores #	Depletion key accounts #	Trade Channel
Not due	-	-	521.34
0-90 days	-	-	30.93
91-180 days	-	-	12.77
181-365 days	-	-	6.43
1-2 years	-	-	7.54
2-3 years	-	-	2.54
Total		**-**	**581.55**

Impact is considered to be immaterial.

Movement in the expected credit loss allowance

₹ in Crore

	As at March 31, 2025
Transferred pursuant to Composite Scheme (Refer Note: 48)	30.19
Expected credit loss provision made/ (reversed) on trade receivables calculated at lifetime expected credit losses	-
Specific provision made/ (reversed)	(0.12)
As at the end of the year	**30.07**

NOTE: 16 CASH AND CASH EQUIVALENTS

₹ in Crore

	As at March 31, 2025
Balances with banks	
Current accounts	19.66
Balances with credit card companies	29.87
Cash on hand	0.42
Cheques/ drafts on hand	3.11
Total	**53.06**

Net debt reconciliation:

As at March 31, 2025

₹ in Crore

	Transferred pursuant to Composite Scheme (Refer Note: 48)	Cash flows (net)	Non-cash changes		As at March 31, 2025
			Fair value adjustments	Others	
Investing activities					
Cash and cash equivalents	132.35	(79.30)	-	-	53.06
Current investments	361.75	(244.64)	-	0.07	117.18
Total (a)	**494.10**	**(323.94)**	**-**	**0.07**	**170.24**
Financing activities					
Non-current borrowings	60.03	25.38	-	(7.97)	77.44
Current borrowings (including current maturities of non-current borrowings)	1,345.50	(478.71)	-	7.96	874.75
Lease liabilities	1,904.30	(640.96)	-	716.92	1,980.26
Total (b)	**3,309.83**	**(1,094.29)**	**-**	**716.91**	**2,932.45**
Net debt (b-a)	**2,815.73**	**(770.35)**	**-**	**716.84**	**2,762.21**

NOTE: 17 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

₹ in Crore

	As at March 31, 2025
Bank deposits (with original maturity of more than 3 months and having remaining maturity of less than 12 months)	0.59
Total	**0.59**

NOTE: 18 CURRENT FINANCIAL ASSETS - OTHERS

₹ in Crore

	As at March 31, 2025
Other receivables	16.00
Lease receivables (from sub-lease arrangements)	60.16
Total	**76.16**

NOTE: 19 OTHER CURRENT ASSETS

₹ in Crore

	As at March 31, 2025
Prepayments	**23.27**
Advance to suppliers	107.97
Export incentives	3.59
Balances with government authorities (other than income tax)	173.07
Government grant receivables	1.24
Right to return assets	296.72
Other receivables	15.64
Total	**621.50**

NOTE: 20 EQUITY SHARE CAPITAL

Authorised share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
Equity share capital		
As at the beginning of the year	-	-
Increase during the year	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Issued equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

Subscribed and paid-up equity share capital

	As at March 31, 2025	
	No. of shares	₹ in Crore
As at the beginning of the year	-	-
Equity shares issued on incorporation of Company	50,000	0.05
As at the end of the year	**50,000**	**0.05**

(i) Shares held by Promoters :

Shares held by Promoters	As at March 31, 2025	
Promoter name	**No. of Shares**	**% of total shares**
Aditya Birla Fashion and Retail Limited	50,000	100.00
Total	**50,000**	**100.00**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having face value of 10/- per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of 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 the remaining assets of the Company, after distribution to all preference shareholders. The distribution will be in proportion to the number of the equity shares held by the shareholders.

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

Name of the shareholder	As at March 31, 2025	
	No. of Shares	% of total shares
Aditya Birla Fashion and Retail Limited	50,000	100.00

(iv) Shares reserved for issue under Employee Stock Option Plan

No shares have been reserved for issue under the Employee Stock Option Plan (ESOP) of the Group.

NOTE: 21 OTHER EQUITY

₹ in Crore

	As at March 31, 2025
Share suspense account	
As at the beginning of the year	-
Pursuant to Composite Scheme	1,220.26
As at the end of the year	**1,220.26**
Retained earnings	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Profit/(Loss) for the period	59.60
As at the end of the year	**59.60**

Group share based payment reserve

₹ in Crore

	As at March 31, 2025
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	40.00
Share based payment expense	1.49
As at the end of the year	**41.49**

₹ in Crore

	As at March 31, 2025
Capital reserve	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	(41.58)
As at the end of the year	**(41.58)**
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	
As at the beginning of the year	-
Transferred pursuant to Composite Scheme (Refer Note: 48)	-
Gains/ (losses) during the year	(3.29)
As at the end of the year	**(3.29)**
Total	**1,276.48**

Other equity

₹ in Crore

	As at March 31, 2025
Share suspense account	**1,220.26**
Reserves and surplus	
Retained earnings	59.60
Group share based payment reserve	41.49
Capital reserve	(41.58)
Other comprehensive income	
Remeasurement gains/ (losses) on defined benefit plans	(3.29)
Total	**1,276.48**

The description of the nature and purpose of each reserve within other equity is as follows:

1. Share suspense account

Share suspense is created for the net assets transferred pursuant to the Composite scheme against which equity shares will be issued and the balance has been transferred to Capital reserve.

2. Retained earnings

Retained earnings comprise of the Company's accumulated undistributed profits/ (losses) after taxes.

3. Group share based payment reserve

The fair value of the equity-settled share based payment transactions with employees is recognised in Consolidated Statement of Profit and Loss with corresponding credit to employee stock options outstanding account. The amount of cost recognised is transferred to share premium on exercise of the related stock options.

4. Capital reserve

Capital reserve represents difference between the carrying amount of net assets transferred to the Company and face value of shares issued, pursuant to a Scheme of arrangement between the Company and Aditya Birla Fashion & Retail Limited, approved by NCLT on March 27, 2025.

5. Remeasurement gains/ (losses) on defined benefit plans

The cumulative balances of gains/ (losses) arising on remeasurements of defined benefit plan is accumulated and recognised within this component of other comprehensive income. Items included in remeasurement gains/ (losses) reserve will not be reclassified subsequently to Consolidated Statement of Profit and Loss.

NOTE: 22 NON-CURRENT FINANCIAL LIABILITIES - BORROWINGS

₹ in Crore

	Effective interest rate % p.a.	Maturity	As at March 31, 2025
Term loans from banks			
Term Loan from Axis Bank (Secured)[2]	8.44%	September 30, 2028	76.40
Term loan from others			
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	0.49
Preference shares			
Cumulative redeemable preference shares	8.00%	March 26, 2029	0.55
Total			**77.44**
Current maturities of long-term borrowings			
	Effective interest rate % p.a.	**Maturity**	**As at March 31, 2025**
Current maturities of long-term borrowings (included in current borrowings)			
Redeemable non-convertible debentures - Series 9 (Unsecured)*	7.97%	January 29, 2026	499.28
Term Loan from Axis Bank (Secured)[2]	2 8.44%	September 30, 2028	24.57
Other borrowings (Unsecured)[1]	8.00% - 14.37%	June 30,2026	1.43
Total (included in Current Borrowings)			**525.28**
*Net off unamortised charges			
Aggregate secured borrowings			100.97
Aggregate unsecured borrowings			501.75

Note:

(i) The borrowings above have been transferred to the Group pursuant to Scheme of Arrangement approved between the Company and Aditya Birla Fashion and Retail Limited which has been approved by NCLT on March 27, 2025. The management will initiate the process to assign these borrowings from Aditya Birla Fashion and Retail Limited to the Holding Company or its Subsidiary.

(ii) The Company has not defaulted on any loans payable, and there has been no breach of any covenant attached to the borrowings.

Details of security and terms of repayment

1. Loans amounting to 1.92 Crore is repayable in monthly instalments till June 30, 2026.
2. An amount of ₹ 145 Crore was sanctioned by Axis Bank. The loan is repayable in 15 structured quarterly instalments beginning after 15 months from the date of first disbursement of the loan. The final instalment is due for repayment in September 2028. The borrowing is secured by way of a charge on the movable assets (including book debts) of Aditya Birla Garments Limited (a Subsidiary of the Holding Company).

NOTE: 23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

₹ in Crore

	As at March 31, 2025
Liability towards license rights	518.08
Total	**518.08**

NOTE: 24 NON-CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for gratuity (Refer Note:41)	10.38
Stock Appreciation Rights (SAR)	12.33
Total	**22.71**

NOTE: 25 OTHER NON-CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Deferred income	26.02
Total	**26.02**

NOTE: 26 CURRENT - BORROWINGS

₹ in Crore

	As at March 31, 2025
Loans repayable on demand from banks	
Cash credit/ Working capital demand loan (Unsecured)	349.47
Current maturities of long term borrowings (Refer Note: 22)	525.28
Total	**874.75**

Aggregate secured borrowings	24.57
Aggregate unsecured borrowings	850.18

Note: The borrowings above have been transferred to the Company pursuant to Scheme of Arrangement agreed by NCLT between the Company and Aditya Birla Fashion and Retail Limited ('ABFRL') on March 27, 2025. These borrowings were entered into between the Lenders and ABFRL. The Management will initiate process to assign these borrowings from ABFRL to the Holding Company or its Subsidiary.

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Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

NOTE: 27 TRADE PAYABLES

₹ in Crore

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer details below)	89.11
Total outstanding dues of creditors other than micro enterprises and small enterprises*	2,032.21
Total	**2,121.32**

*Includes payables to related parties (Refer Note:45).

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

₹ in Crore

	As at March 31, 2025
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	
Principal amount due to Micro and Small Enterprises*	102.03
Interest due on the above	0.24
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	55.12
c. The 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 year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	1.64
d. The amount of interest accrued and remaining unpaid at the end of each accounting year	1.87
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.01

* Includes amount due to creditors for capital supplies/ services amounting to ₹ 13.16 Crore as at March 31, 2025

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors.

Ageing of Trade Payables:

₹ in Crore

Particulars	Outstanding as on March 31, 2025 (for following periods from due date of payment)					
	Not due (including unbilled)	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	86.28	2.35	-	0.00	0.03	88.66
(ii) Others	972.77	974.61	65.80	4.97	12.52	2,030.67
(iii) Disputed dues – MSME	-	-	0.42	-	0.03	0.45
(iv) Disputed dues – Others	0.00	0.01	0.45	0.00	1.08	1.54

NOTE: 28 CURRENT FINANCIAL LIABILITIES - OTHERS

₹ in Crore

	As at March 31, 2025
Interest accrued but not due on borrowings	6.41
Creditors for capital supplies/ services (including dues to micro and small enterprises)	30.26
Derivative contracts	4.96
Employee Payable	104.32
Liability towards license rights	1.41
Total	**147.36**

NOTE: 29 CURRENT PROVISIONS

₹ in Crore

	As at March 31, 2025
Employee benefit obligation	
Provision for compensated absences	58.05
Provision for gratuity (Refer Note:41)	0.03
Stock Appreciation Rights (SAR)	33.54
Provision for pending litigations (Refer Note:44)	50.02
Total	**141.64**

Movement of provision for pending litigations during the year:

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme	**53.09**
Add: provision made during the year	0.78
Less: provision utilised during the year	(3.03)
Less: provision reversed during the year	(0.82)
Closing balance	**50.02**

NOTE: 30 OTHER CURRENT LIABILITIES

₹ in Crore

	As at March 31, 2025
Advances received from customers	25.36
Deferred revenue*	6.37
Other advances received	0.44
Statutory dues (other than income tax)	36.79
Refund liabilities	499.11
Total	**568.07**

*** Deferred revenue:**

₹ in Crore

	As at March 31, 2025
Transfer pursuant to Composite Scheme (Refer note:48)	**5.55**
Deferred during the year	46.29
Released to the Consolidated Statement of Profit and Loss	(45.47)
As at the end of the year	**6.37**

The deferred revenue relates to the accrual and release of customer loyalty points according to the loyalty programme announced by the respective businesses. As at March 31, 2025, the estimated liability towards unredeemed points amounts to ₹ 6.37 Crore.

NOTE: 31 REVENUE FROM OPERATIONS

Accounting Policy

(I) Revenue from contracts with customers

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

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

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

Revenue from sale of products

Revenue from sales of products is measured at the amount of transaction price (net of returns, customer incentives, discounts, variable consideration and other similar charges offered by the Company) allocated to that performance obligation.

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

Assets and liabilities arising from right to return

The Company has contracts with customers which entitles them an unconditional right to return.

Right to return assets

A right of return gives an entity a contractual right to recover the goods from a customer (right to return asset), if the customer exercises its option to return the goods and obtain a refund. The asset is measured at the carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods.

Refund liabilities

A refund liability is the obligation to refund part or all of the consideration received (or receivable) from the customer. The Company has therefore recognised refund liabilities in respect of customer's right to return. The liability is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimate of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

The Company has presented its right to return assets and refund liabilities under other current assets and other current liabilities, respectively.

Income from gift voucher

Gift voucher sales are recognised when the vouchers are redeemed, and the goods are sold to the customer.

Loyalty points programme

The Company operates a loyalty programme which allows customers to accumulate points on purchases made in retail stores. The points give rise to a separate performance obligation as it entitles them for redemption as settlement of future purchase transaction price. Consideration received is allocated between the sale of products and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of points is determined by applying statistical techniques based on the historical trends.

Transaction price allocated to reward points is deferred and recognised when points are redeemed or when the points expire. The amount of revenue is based on the value of points redeemed/ expired.

Income from services

Income from services is recognised as they are rendered based on agreements/ arrangements with the concerned parties, and recognised net of goods and services tax/ applicable taxes.

Export incentives income

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Licence fees and royalties

Royalty and licensing revenue is received from customers for usage of the Group's brand name. Revenue is recognised over time based on the terms of contracts with the customer.

Commission income

In case of sales of goods, where the Company is an agent in the transaction, the difference between the revenue and the cost of the goods sold is disclosed as commission income in other operating income.

NOTE: 31 REVENUE FROM OPERATIONS

₹ in Crore

	As at March 31, 2025
Revenue from sale of products	
Sale of products	7,747.66
Revenue from redemption of loyalty points (Refer Note:30)	45.47
Total revenue from sale of products	**7,793.13**
Revenue from rendering of services	15.47
Other operating income	
Scrap sales	2.16
Export incentives	8.60
Licence fees and royalties	10.56
Commission income	0.04
Total	**7,829.96**

(a) Right to return assets and refund liabilities:

₹ in Crore

	As at March 31, 2025
Right to return assets	296.72
Refund liabilities	499.11

(b) Contract balances:

₹ in Crore

	As at March 31, 2025
Contract assets	
Trade receivables	1,322.05
Contract Liabilities	
Advances received from customers	25.36
Deferred revenue	6.37

(c) Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

₹ in Crore

	Period ended March 31, 2025
Revenue as per contracted price	9,762.93
Less:	
Sales return	1,267.02
Discounts	659.58
Loyalty points	6.37
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(d) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss:

₹ in Crore

	Period endedMarch 31, 2025
Revenue from retail operations	4,499.03
Revenue from non-retail operations	3,330.93
	7,829.96
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

(e) Disclosure of disaggregated revenue recognised in the Consolidated Statement of Profit and Loss based on geographical location of customers:

₹ in Crore

	Period ended March 31, 2025
Revenue from customers outside India	180.06
Revenue from customers within India	7,649.90
Revenue as per the Consolidated Statement of Profit and Loss	**7,829.96**

NOTE: 32 OTHER INCOME

₹ in Crore

	Period ended March 31, 2025
Profit on sale of property, plant and equipment	0.01
Interest income	6.08
Net gain on investment in mutual funds (including on redemption)	0.07
Interest income from financial assets at amortised cost	44.68
Gain on retirement of right-of-use assets (Refer Note:43a)	6.99
Miscellaneous income	19.88
Total	**77.71**

NOTE: 33 COST OF MATERIALS CONSUMED

₹ in Crore

	Period ended March 31, 2025
(a) Materials consumed	
Inventories at the beginning of the year	186.09
Add: Purchases	1,058.48
	1,244.57
Less: Inventories at the end of the year	234.24
Total	**1,010.33**
(b) Purchase of stock-in-trade	
Purchase of stock-in-trade	2,121.28
Total	**2,121.28**
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	
Opening inventories	419.01
Finished goods	1,568.20
Stock-in-trade	20.49
Work-in-progress	
Less:	
Closing inventories	
Finished goods	467.92
Stock-in-trade	1,379.15
Work-in-progress	20.22
	1,867.29
(Increase)/Decrease in inventories	**140.41**

NOTE: 34 EMPLOYEE BENEFITS EXPENSE

₹ in Crore

	Period ended March 31, 2025
Salaries, wages and bonus	787.50
Contribution to provident and other funds (Refer Note: 41)	55.22
Share-based payment to employees (Refer Note: 42)	19.76
Gratuity expense (Refer Note: 41)	12.43
Staff welfare expenses	43.51
Total	**918.42**

NOTE: 35 FINANCE COSTS

₹ in Crore

	Period ended March 31, 2025
Interest expense on borrowings	99.24
Interest on deposits	42.05
Interest expense on lease liabilities (Refer Note: 4b & 43a)	187.74
Fair value impact on financial instruments at FVTPL	52.97
Total	**382.00**

NOTE: 36 DEPRECIATION AND AMORTISATION EXPENSE

₹ in Crore

	Period ended March 31, 2025
Depreciation on property, plant and equipment (Refer Note: 3a)	149.68
Depreciation on right-of-use assets (Refer Note: 4a & 43a)	499.06
Amortisation on intangible assets (Refer Note: 5)	56.99
Total	**705.73**

NOTE: 37 OTHER EXPENSES

₹ in Crore

	Period ended March 31, 2025
Consumption of stores and spares	6.43
Power and fuel	16.54
Electricity charges	72.09
Repairs and maintenance	
Buildings	0.02
Plant and machinery	0.76
Others	165.33
Insurance	6.73
Rates and taxes	15.12
Processing charges	78.45
Commission to selling agents	92.86
Advertisement and sales promotion	258.40
Transportation and handling charges	121.31
Royalty expenses	14.10
Legal and professional	98.16
Bad debts written off	0.86
Provision for bad and doubtful deposits and advances	1.68
Printing and stationery	9.38
Travelling and conveyance	86.42
Bank and credit card charges	31.47
Payment to auditors (Refer details below)	1.64
Postage expenses	6.67
Foreign exchange loss (net)	15.96
Information technology	109.34
Outsourcing, housekeeping and security	430.23
Miscellaneous	43.11
Total	**1,683.06**

Payment to auditors:

₹ in Crore

	Period ended March 31, 2025
For audit fees (including Limited Review fees)	1.31
For tax audit fees	0.16
For other services	0.05
For reimbursement of expenses	0.12
Total	**1.64**

NOTE: 37a EXCEPTIONAL ITEMS

Exceptional items for the period ended March 31, 2025 includes provision for impairment of goodwill, right-of-use assets, franchisee rights and Inventory Obsolescence amounting to ₹ 98.33 Crore pursuant to restructuring of operations of a business unit.

NOTE: 38 INCOME TAX EXPENSE

The major components of income tax (income)/ expense are:

In Consolidated Statement of Profit and Loss:

Profit or loss section

₹ in Crore

		Period ended March 31, 2025
Current income tax		
Current income tax charge		-
Current tax relating to earlier years		-
	(A)	**-**
Deferred tax charge / (credit)		
Relating to origination and reversal of temporary differences		23.81
	(B)	**23.81**
Total	**(A+B)**	**23.81**

In Other Comprehensive Income (OCI)

Deferred tax related to items recognised in OCI during the year

₹ in Crore

	Period ended March 31, 2025
Deferred tax charge/ (credit) on:	
Net (gains)/ losses on re-measurement of defined benefit plans	(1.08)
Net (gains)/ losses on fair value of equity instruments	-
Total	**(1.08)**

Reconciliation of tax (income)/ expense and the accounting profit/ (loss) multiplied by India's domestic tax rate

₹ in Crore

	Period ended March 31, 2025
Accounting Profit/(Loss) before income tax	**83.41**
Tax expense/ (income) at statutory income tax rate of 25.17%	**20.99**
Reconciling items:	
Expenses disallowed for tax purposes	0.48
Others	2.34
Income tax expenses/ (income) as per Statement of Profit and Loss Account	**23.81**

NOTE: 39 EARNINGS PER SHARE (EPS)

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

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

The following reflects the profit/(loss) and equity share data used in the basic and diluted EPS computations:

₹ in Crore

		Period ended March 31, 2025
Earnings Per Share (EPS) is calculated as under:		
Profit / (Loss) as per the Statement of Profit and Loss (A)		59.60
Profit/(Loss) for calculation of EPS	**(A)**	**59.60**
Weighted average number of equity shares for calculation of Basic EPS*	(B)	1,220,260,946
Profit / (Loss) per share - basic (₹)	**(A/B)**	**0.49**
Weighted average number of equity shares outstanding		1,220,260,946
Weighted average number of potential equity shares		-
Weighted average number of equity shares for calculation of Diluted EPS		1,220,260,946
Diluted EPS (₹)	**(C)**	**0.49**
Nominal value of shares (₹)		10.00

* Includes equity shares under Share suspense which will be issued pursuant to Composite scheme and excludes shares (50,000) which is currently issued to Aditya Birla Fashion and Retail Limited.

NOTE - 40 SEGMENT INFORMATION

Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The Group's business activity falls within a single operating business segment of Branded Apparels (Garments and Accessories).

The additional information required by Ind AS 108 is as below :-

₹ in Crore

(a) Revenue from customer (based on geographical location of customers) :	Period ended March 31, 2025
India	180.06
Outside India	7,649.90
Total	**7,829.96**

₹ in Crore

(b) Location of non - current assets (excluding deferred tax assets):	Year ended March 31, 2025
India	3,743.88
Outside India	-
Total	**3,743.88**

NOTE - 41 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

The Group operates a gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefits are payable on termination of service or retirement, whichever is earlier. The benefits vests after five years of continuous service. A part of the gratuity plan is funded and another part is unfunded, hence the liability has been bifurcated into funded and unfunded. The gratuity plan in the Group funded through annual contribution to Insurer Managed Fund (managed by Life Insurance Corporation of India) under its Gratuity Scheme. Post demerger Management will initiate appropriate steps towards transferring of the said fund maintained with LIC in the name of Holding Company.

The Group has contributed to the Insurer Managed Fund (managed by Life Insurance Corporation of India), details of which is available in the table of Investment pattern of plan assets.

The following tables summarise the components of net benefit expense recognised in the Consolidated Statement of Profit and Loss and Consolidated Balance Sheet for the respective plans:

Unfunded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Total	**0.21**

Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	0.24
Current service cost	0.19
Interest cost on defined benefit obligation	0.02
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	0.03
Experience adjustments	0.04
Actuarial (gain)/ loss recognised in OCI	0.07
Benefits paid	(0.01)
Closing defined benefit obligation	**0.51**

Funded defined benefit plan

Net benefit expense recognised through the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Interest income on plan assets	(5.21)
	12.22

Changes in the defined benefit obligation and fair value of plan assets are as follows:

(i) Changes in the present value of the Defined Benefit Obligations (DBO)

₹ in Crore

	As at March 31, 2025
Opening defined benefit obligation	-
Transfer pursuant to Composite Scheme (Refer note: 48)	77.51
Current service cost	11.86
Interest cost on defined benefit obligation	5.57
Actuarial (gain)/ loss on account of:	
Changes in financial assumptions	3.58
Experience adjustments	0.93
Actuarial (gain)/ loss recognised in OCI	4.51
Benefits paid	(6.36)
Addition/(Deletion) due to transfer of employees	(0.26)
Closing defined benefit obligation	**92.83**

(ii) Change in fair value of plan assets

₹ in Crore

	As at March 31, 2025
Opening fair value of the plan assets	-
Transfer pursuant to Composite Scheme (Refer note: 48)	72.27
Contributions by the employer	5.27
Interest income on plan assets	5.21
Actuarial gain/ (loss) recognised in OCI	
Actual returns on plan assets excluding amounts included in net interest	0.21
Closing fair value of the plan assets	**82.96**

Amounts recognised in the Consolidated Balance Sheet

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Funded	92.83
Fair value of plan assets	82.96
Net liability/ (asset)	**9.87**
Net liability is classified as follows:	
Current	-
Non-current	9.87
Net liability - Funded	**9.87**

₹ in Crore

	As at March 31, 2025
Present value of the defined benefit obligation at the end of the year:	
Unfunded	0.51
Liability	**0.51**
Net liability is classified as follows:	
Current	-
Non-current	0.51
Net liability - Funded	**0.51**

The principal assumptions used in determining gratuity (funded and unfunded) defined benefit obligations for the Group are shown below:

₹ in Crore

	As at March 31, 2025
Discount rate	
Funded plan & Unfunded plan	6.70%
Salary escalation rate	
Funded plan & Unfunded plan	
Management	8.00%
Staff	7.00%
Workers	5.00%

The estimates of future salary increase, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on plan assets is determined based on the market yield prevailing as on that date, applicable to the period over which the obligation is expected to be settled.

A quantitative sensitivity analysis for significant assumptions is as follows:

	As at March 31, 2025	
Sensitivity level		
Discount rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	(3.66)	3.93
Unfunded plan	(0.03)	0.03
Salary escalation rate	0.50% increase	0.50% decrease
Increase/ (Decrease) in DBO (₹ in Crore)		
Funded plan	3.91	(3.68)
Unfunded plan	0.03	(0.03)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated using the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The maturity profile of the defined benefit obligation are as follows:

₹ in Crore

	March 31, 2025
Within the next 12 months (next annual reporting period)	11.08
Between 2 and 5 years	35.91
Between 6 and 10 years	38.54
Beyond 10 years	98.46
Total	**183.99**

The Group is expected to contribute ₹ 24.03 Crore to the gratuity fund during the year ended March 31, 2026.

The average duration of the defined benefit plan obligation at the end of the reporting period is 8 years.

Risk exposure

Through its defined benefit plans, Company is exposed to number of risks, the most significant of which are detailed below:

Asset volatility	The plan liabilities are calculated using a discount rate set with reference to yields of government securities; if plan assets underperform this yield, this will create a deficit. Plan asset investments for gratuity are made in pre-defined insurance plans. These are subject to risk of default and interest rate risk. The fund manages credit risk/ interest rate risk through continuous monitoring to minimise risk to an acceptable level.
Inflation Risk	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life Expectancy	The pension plan provides benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy

Defined contribution plans

Provident Fund: Contributions are made mainly to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Employees' State Insurance: Employees' State Insurance is a state plan applicable to employees of the Company whose salaries do not exceed a specified amount. The contributions are made on the basis of a percentage of salary to a fund administered by government authority. The obligation of the Company is limited to the extent of contributions made on a monthly basis.

Superannuation Fund: Certain executive staff of the Company participate in Superannuation Fund, which is a voluntary contribution plan.

The Company has no further obligations to the plan beyond its monthly contributions to the Superannuation Fund, the corpus of which is administered by a Trust belonging to demerged company and is invested in insurance products.

National Pension Scheme: Certain executive staff of the Company participate in National Pension Scheme, which is a voluntary

continue to next page

contribution plan. The Company has no further obligations to the plan beyond its monthly contributions to a fund administered by a pension fund manager appointed by Pension Fund Regulatory and Development Authority.

Amount recognised as an expense and included in Note - 34 as "Contribution to provident and other funds"

₹ in Crore

	Period ended March 31, 2025
Contribution to Government Provident Fund	39.55
Contribution to Superannuation Fund	0.60
Contribution to Employee Pension Scheme (EPS)	5.97
Contribution to Employee State Insurance (ESI)	7.02
Contribution to Employee Deposit Linked Insurance Scheme (EDLIS)	0.12
Contribution to Labour Welfare Fund (LWF)	0.09
Contribution to National Pension Scheme (NPS)	1.86
Total	**55.22**

Note:

1. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

NOTE- 42 SHARE-BASED PAYMENT

The expense recognised for employee services received during the year is shown in the following table:

₹ in Crore

	Period ended March 31, 2025
Expense arising from equity-settled share-based payment arrangements	1.49
Expense arising from cash-settled share-based payment arrangements	18.27
Total	**19.76**

I. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017

On July 25, 2017, the Nomination and Remuneration Committee ("NRC") and the Board of Directors ("Board") of Aditya Birla Fashion and Retail Limited ('ABFRL') approved the introduction of a Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 ("Scheme 2017") for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the eligible employees, subject to the approval of the Shareholders. Shareholders of ABFRL, vide a special resolution passed at the Tenth Annual General Meeting of the Company, held on August 23, 2017, approved the introduction of the Scheme 2017 and authorised the Board/ NRC to finalise and implement the Scheme 2017.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2017 are below:

	Options	RSUs
No. of Options/ RSUs	13,71,591	5,19,574
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting - 25% every year	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	September 08, 2017 onwards	September 08, 2017 Onwards
Grant/ exercise price (₹ per share)	150.80 to 178.30	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50	BSE - 147.70 to 176.40 NSE - 147.10 to 176.50
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Options and RSUs during the current year:

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**3,88,363**	**164.23**	**84,976**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,79,903)	177.56	(6,070)	10.00
Lapsed during the financial year	(22,509)	178.30	-	-
Outstanding at the end of the financial year	**1,85,951**	**178.30**	**78,906**	**10.00**
Unvested at the end of the financial year	-	-	-	-
Exercisable at the end of the financial year	**1,85,951**	**177.98**	**78,906**	**10.00**

^The weighted average share price at the date of exercise of these Options and RSUs was ₹310.04 per share and ₹240.75 per share respectively.

II. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019

On July 26, 2019, the Nomination and Remuneration Committee and the Board of Directors ("Board") of ABFRL, approved introduction of Employee Stock Option Scheme, viz. Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019 ("Scheme 2019"), for issue of Stock Options in the form of Options ("Options") and/or Restricted Stock Units ("RSUs") to the identified employees.

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to ESOPs issued by ABFRL.

i) Details of the grants under Scheme 2019 are as below:

	Options	RSUs
No. of Options/ RSUs	21,74,990	5,65,591
Method of accounting	Fair value	Fair value
Vesting plan	Graded and Bullet vesting over/at the end of 2 to 3 years	Bullet vesting at the end of 3rd year
Exercise period	5 years from the date of vesting	5 years from the date of vesting
Grant date	December 02, 2019 Onwards	December 02, 2019 Onwards
Exercise price (₹ per share)	164.10 to 330.75	10.00
Market price on the date of granting of Options/ RSUs (₹ per share)	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55	BSE - 163.85 to 338.00 NSE - 163.80 to 337.55
Method of settlement	Equity	Equity

ii) Movement of Options and RSUs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, share options and RSUs during the year

	As at March 31, 2025			
	No. of Options	Weighted average exercise price (₹ per share)	No. of RSUs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	**14,78,113**	**209.50**	**2,47,625**	**10.00**
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,47,897)	188.40	(64,821)	10.00
Lapsed during the financial year	(1,17,893)	229.28	-	-
Outstanding at the end of the financial year	**12,12,323**	**217.76**	**1,82,804**	**10.00**
Unvested at the end of the financial year	**1,30,324**	-	**77,779**	-
Exercisable at the end of the financial year	**10,81,999**	**211.98**	**1,05,025**	**10.00**

^The weighted average share price at the date of exercise of these Options was ₹294.22 per share and RSU was ₹311.06 per share.

The weighted average remaining contractual life for the share Options and RSUs outstanding as at March 31, 2025 is 3 years.

I. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019

On February 04, 2019, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2019" ("SARs Scheme 2019"), to grant Stock Appreciation Rights (SAR) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2019).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

Details of SARs are below:

	Option SARs	RSU SARs
No. of SARs	13,26,879	6,19,164
Method of accounting	Fair value	Fair value
Vesting plan	May 16, 2019 onwards and graded vesting over 2 to 3 years	Bullet vesting at the end of 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	May 15, 2019 Onwards	May 15, 2019 Onwards
Grant price (₹ per share)	178.30 to 330.75	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55	BSE - 192.45 to 338.00 NSE - 192.80 to 337.55
Method of settlement	Cash	Cash

ii) Movement of SARs granted are below:

The following table illustrates the number and weighted average exercise prices of, and movements in, Option SARs during the year:

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Outstanding at the beginning of the financial year	-	-	-	-
Transfer pursuant to Composite Scheme	11,01,332	281.70	5,40,391	10.00
Granted during the financial year	-	-	-	-
Exercised during the financial year^	(1,61,531)	216.09	(50,579)	10.00
Lapsed during the financial year	(2,19,222)	234.80	(20,633)	
Outstanding at the end of the financial year	**7,20,579**	**238.26**	**4,69,179**	**10.00**
Unvested at the end of the financial year	**3,16,305**		**2,48,206**	
Exercisable at the end of the financial year	**4,04,274**	**228.06**	**2,20,973**	**10.00**

^The settlement happens net of exercise price and the weighted average share price at the date of exercise for these Option SAR and RSUs was ₹318.58 per share and ₹318.04 per share respectively.

The weighted average remaining contractual life for SAR options outstanding as at March 31, 2025 is 2 years and for SAR RSUs outstanding as at March 31, 2025, is 3 years.

The expected life of the Share Options, RSUs and SARs is based on historical data and current expectations, and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the Share Options, RSUs and SARs is indicative of future trends, which may not necessarily be the actual outcome.

II. Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024

On August 04, 2024, the NRC and the Board of ABFRL, at their respective meetings had approved the "Aditya Birla Fashion and Retail Limited Stock Appreciation Rights Scheme 2024" ("SARs Scheme 2024"), to grant Stock Appreciation Rights (SARs) in the form of "Option SARs" and "RSU SARs", from time to time, to the eligible employees (as defined in the SARs Scheme 2024).

Pursuant to the approved Scheme of arrangement between Company and ABFRL, the employees of the Madura undertaking continue to be entitled to SARs issued by ABFRL.

i) The details of the Plan are as below:

	Option SARs	RSU SARs
No. of SARs	18,13,089	5,78,610
Method of accounting	Fair value	Fair value
Vesting plan	Graded vesting over 2 to 3 years	Bullet Vesting at the end of 2 to 3 years
Exercise period	3 years from the date of vesting	3 years from the date of vesting
Grant date	August 07, 2024 onwards	August 07, 2024 Onwards
Grant price (₹ per share)	248.55 to 318.90	10.00
Market price on the date of granting of SARs (₹ per share)	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05	BSE - 242.15 to 323.90 NSE - 242.30 to 323.05
Method of settlement	Cash	Cash

ii) Movement of SARs granted

The following table illustrates the number and weighted average exercise prices of, and movements in, SARs during the year.

	As at March 31, 2025			
	No. of Option SARs	Weighted average exercise price (₹ per share)	No. of RSU SARs	Weighted average exercise price (₹ per share)
Option SARs				
Outstanding at the beginning of the financial year	-	-	-	-
Granted during the financial year	18,13,089	317.93	5,78,610	10.00
Exercised during the financial year^	-	-	-	-
Lapsed during the financial year	(64,534)	318.90	(16,720)	10.00
Outstanding at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Unvested at the end of the financial year	**17,48,555**	**318.90**	**5,61,890**	**10.00**
Exercisable at the end of the financial year	-	-	-	-

^The settlement happens net of exercise price.

iii) The following table lists the inputs to the model used for SARs issued during the year:

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

	Option SARs	RSUs
Expected dividend yield (%)	Nil	Nil
Expected volatility (%)	36.62 to 40.35	36.67 to 43.92
Risk-free interest rate (%)	6.77 to 6.94	6.82 to 6.97
Weighted average fair value per SAR (₹)	71.73 to 120.71	211.55 to 271.34
Model used	Binomial model	Binomial model

The weighted average remaining contractual life for the SAR Options and SAR RSUs outstanding as at March 31, 2025, is 3 years.

NOTE - 43 COMMITMENTS AND CONTINGENCIES

a) Leases

Lease commitments as lessee

The Group has entered into agreements for taking on lease certain land/residential/ office/ store premises, warehouses, factories, property, plant and equipment on lease and licence basis. The lease term is for periods ranging from 3 to 21 years, with escalation clauses in the lease agreements. Consistent with Industry practice, the Group has contracts which have fixed rentals or variable rentals based on a percentage of sales in the stores, or a combination of both.

Expenses/ Income recognised in the Consolidated Statement of Profit and Loss

₹ in Crore

	Period ended March 31, 2025
Other income	
Gain on termination of right-of-use assets (Including exceptional item)	8.93
Rent	
Expense relating to short-term leases	18.06
Expense relating to leases of low value assets	-
Variable rent*	746.64
Rent concession	-
Finance cost	
Interest expense on lease liabilities	187.74
Depreciation and amortisation expenses	
Depreciation on right-of-use assets	499.06
Other expenses	
Processing charges	32.65
Sublease payments received (not shown separately in the Consolidated Statement of Profit and Loss)	88.57

* The variable rent varies basis percentage of Net Sales Value (NSV) at the lease premises.

Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

₹ in Crore

	As at March 31, 2025
Within one year	566.20
After one year but not more than five years	1,188.20
More than five years	367.22
Total	**2,121.62**

The initial non-cancellable period of the lease agreement pertaining to stores are up to 3 years, beyond which there is an option for the Group to continue the lease, which the Group expects to continue for a period of 2 years after the initial non-cancellable period, accordingly 5 years has been considered as the lease term. Post such period, the Group has the option to exit the lease by giving a notice period and the Group assesses its intention to continue considering location and other economic factors associated with the lease arrangement.

Total cash outflow for leases for the year ended March 31, 2025 is ₹ 1,494.23 Crore.

In accordance with its capital expenditure strategy, the Demerged Company engaged in a sale and leaseback transaction involving certain assets, including furniture and fixtures, and office equipment, pertaining to the Demerged undertaking. These assets and liabilities were assumed as part of the Business Combination (Refer Note: 48). The lease agreement spans a duration of 4-5 years, and the transaction has been recorded as right-of-use assets with corresponding lease liabilities.

Lease commitments for leases not considered in measurement of lease liabilities

₹ in Crore

	As at March 31, 2025
Lease commitment for short-term leases	0.95
Lease commitment for leases of low value assets	-
Total	**0.95**

Variable lease payments

Some property leases contain variable payment terms that are linked to sales generated from a store. For certain individual store, up to 100% of lease payment are on the basis of variable payment terms. Variable payment terms are used for a variety of reasons, including minimising the fixed cost base for newly established stores. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occur.

₹ in Crore

Particulars	**March 31, 2025**	
Increase/ (Decrease) in sales	**Increase by 5%**	**Decrease by 5%**
Rent	37.33	(37.33)

b) Capital commitments

₹ in Crore

	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	42.37
Total	**42.37**

Note: The Group has obtained licenses from the Office of the Joint Director General of Foreign Trade, Vishakapatnam under the Export Promotion of Capital Goods (EPCG) scheme which allows the Company to import capital goods free of customs duty. The scheme requires the Company to achieve an export obligation equal to 6 times the amount of customs duty saved within a period of next 6 years. The Company has imported equipment during the current year under the Scheme and has availed a cumulative customs duty benefit of ₹ 7.12 Cr. Company has determined that it would meet the export obligation commitment within the period specified.

c) Other commitments

As at March 31, 2025, the Group has committed to provide financial support to Aditya Birla Garments Limited to enable them to meet their commitments within a period of next 12 months.

NOTE - 44 CONTINGENT LIABILITIES NOT PROVIDED FOR

₹ in Crore

	As at March 31, 2025
Claims against the Group not acknowledged as debts	
Commercial taxes	0.10
Excise duty	0.50
Customs duty	10.67
Textile committee cess	0.75
Others*	2.71
Total	**14.73**

* Pertains to claims made by third parties, pending settlement which are considered not tenable.

The Group's pending litigations comprise of claims against the Group primarily for excise duty, comprising various cases demanding duty on reversal of CENVAT credit on sale of capital goods and for commercial taxes, comprising various cases in respect of short fall in submission of Forms F, H, I and C, disallowance of input credit, etc.

The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities in its standalone financial statements where financial outflow is not probable. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its consolidated financial statements. In respect of litigations, where the management's assessment of a financial outflow is probable, the Group has a provision of ₹ 50.02 Crore as at March 31, 2025 (Refer Note: 29).

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. The Company has made provision as required under the accounting standards for material foreseeable losses on derivative contracts as at March 31, 2025.

Note :- As per the approved Composite Scheme of Arrangement, the Group has assumed contingent liabilities specifically related to the Madura division of the Demerged Company.

NOTE - 45 RELATED PARTY TRANSACTIONS

Names of related parties and related party relationship with whom transactions have taken place:

Name of related parties

Holding Company

Aditya Birla Fashion and Retail Limited (till March 26, 2025)*

Parties under common control

Aditya Birla Fashion and Retail Limited (with effect from March 27, 2025)

Fellow Subsidiaries (till March 26, 2025) and subsidiaries of parties under common control (with effect from March 27, 2025)

Finesse International Design Private Limited

Indivinity Clothing Retail Private Limited

Sabyasachi Calcutta LLP

Jaypore E-Commerce Private Limited

House of Masaba Lifestyle Private Limited

Key Management Personnel ("KMP") and Directors

Mr. Ashish Dikshit- Non-Executive Director with effect from April 09, 2024

Mr. Jagdish Bajaj- Non-Executive Director with effect from April 09, 2024

Mr. Anil Malik- Non-Executive Director with effect from April 09, 2024

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

₹ in Crore

	Period ended March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Sale of goods	200.12	-	-
Reimbursement of expenses recovered from	0.29	-	-
Purchase of goods	2.65	-	-
Reimbursement of expenses paid to	121.43	-	-
Production services given	11.21	-	-
Transfer of Post-employment liabilities	0.86	-	-

Balances outstanding

₹ in Crore

	As at March 31, 2025		
	Holding and Fellow Subsidiaries	KMP and Relative of KMP	Other related parties
Amounts owed to related parties	7.12	-	-
Amounts owed by related parties	147.70	-	-

Note:

(a) The above amounts are classified as trade receivables and trade payables (Refer Notes: 15 and 27 respectively).

(b) No amounts in respect of the related parties have been written off/ back during the year.

(c) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(d) Also refer note 48 for disclosure ordering to transfer Madura undertaking from Aditya Birla Fashion and Retail Limited pursuant to a scheme of arrangement.

(e) For the year ended March 31, 2025, the remuneration for Key Managerial Personnel (KMP) has been paid by Aditya Birla Fashion and Retail Limited ('ABFRL') and allocated to the Madura division on an overall basis. Additionally, KMP are entitled to Employee Stock Options (ESOPs), Stock Appreciation Rights (SARs), and Restricted Stock Units (RSUs) issued by ABFRL.

* Pursuant to approval of Scheme by NCLT, shares held by Aditya Birla Fashion and Retail Limited in the Company are deemed to be cancelled.

KMPs interests in the Employee Stock Options, RSUs and SARs

Scheme	Grant date	Expiry date	Exercise price (₹)	As at March 31, 2025 Number outstanding
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
Options - Tranche 1	September 08, 2017	September 07, 2026	178.30	1,12,548
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
Options - Tranche 1	December 02, 2019	December 01, 2028	225.25	3,75,000
Options - Tranche 3	January 21, 2021	January 20, 2027	173.55	2,60,059
Options - Tranche 4	August 05, 2022	August 03, 2030	275.10	31,096
Options - Tranche 5	September 20, 2022	September 18, 2030	330.75	1,71,023
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
Options - Tranche 2	August 18, 2021	August 17, 2027	206.35	37,878
Options - Tranche 4	November 03, 2021	November 03, 2027	288.10	1,70,448
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
Options - Tranche 1	August 7, 2024	August 7, 2029	318.9	4,06,036
Options - Tranche 2	February 27, 2025	February 27, 2031	248.55	2,46,340
Total				**18,10,428**
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017				
RSUs - Tranche 1	September 08, 2017	September 07, 2025	10.00	91,048
Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019				
RSUs - Tranche 1	December 02, 2019	December 01, 2027	10.00	1,13,065
RSUs - Tranche 4	August 05, 2022	August 03, 2030	10.00	9,921
RSUs - Tranche 5	September 20,2022	September 18,2030	10.00	54,563
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2019				
RSUs - Tranche 2	August 18, 2021	August 17, 2027	10.00	12,563
RSUs - Tranche 4	November 03, 2021	November 03, 2027	10.00	56,533
Aditya Birla Fashion and Retail Limited Stock Appreciation Scheme 2024				
RSUs - Tranche 1	August 7, 2024	August 7, 2029	10.00	61,329
RSUs - Tranche 2	February 27, 2025	February 27, 2031	10.00	61,329
Total				**4,60,351**

NOTE - 46 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

A. Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2025 are as follows:

As at March 31, 2025

₹ in Crore

	FVTPL	FVTOCI	Amortised cost*	Total carrying value	Fair value		
					Level 1	Level 2	Level 3
Financial assets							
Investments (Refer Notes - 6b)	117.18	-	-	117.18	117.18	-	-
Loans (Refer Notes - 7 and 13)	-	-	6.22	6.22	-	-	-
Security deposits (Refer Notes - 8 and 14)	-	-	276.88	276.88	-	-	-
Trade receivables (Refer Note - 15)	-	-	1,322.05	1,322.05	-	-	-
Cash and cash equivalents (Refer Note - 16)	-	-	53.06	53.06	-	-	-
Bank balance other than the cash and cash equivalents (Refer Note - 17)	-	-	0.59	0.59	-	-	-
Other financial assets (Refer Notes - 9 and 18)	-	-	280.83	280.83	-	-	-
Total	**117.18**	**-**	**1,939.63**	**2,056.81**	**117.18**	**-**	**-**
Financial liabilities							
Non-current borrowings (Refer Note - 22)	-	-	77.44	77.44	-	-	-
Current borrowings (Refer Note - 26)	-	-	874.75	874.75	-	-	-
Deposits	-	-	524.85	524.85	-	-	-
Trade payables (Refer Note - 27)	-	-	2,121.32	2,121.32	-	-	-
Other financial liabilities (Refer Notes - 23 and 28)	-	-	660.48	660.48	-	-	-
Derivative contracts (Refer Note - 28)	4.96	-	-	4.96	-	4.96	-
Total	**4.96**	**-**	**4,258.84**	**4,263.80**	**-**	**4.96**	**-**

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

Key inputs for level 1 and 3 fair valuation techniques

a) Derivative contracts:

i) **Forward contracts:** Fair value of forward foreign exchange contracts is determined using forward exchange rates as provided by banks to the Group

(level 2). Forward contracts were entered into by ABFRL, prior to demerger, to hedge against risk of fluctuations in foreign exchange rates on financial assets and liabilities relating to Madura division. Accordingly the forward contracts have been transferred to the Group, pursuant to the demerger.

b) Investment:

i) **Quoted investments:** Valuation has been done based on market value of the investment i.e. fair value (level 1)

B. Risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below:

a) Market risk

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

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at March 31, 2025, approximately 58% of the Group's borrowings are at a fixed rate of interest.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings taken at floating rates. With all other variables held constant, the Group's profit/ (loss) before tax is affected through the impact on floating rate borrowings, as follows:

₹ in Crore

Percentage change (%)	**As at March 31, 2025**	
	0.50% increase	**0.50% decrease**
Increase/ (decrease) in Profit/ loss before tax	(2.08)	2.08
Increase/ (decrease) in Profit/ loss after tax	(1.56)	1.56

The assumed movement in interest rates for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in the prior years.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities denominated in foreign currency.

The Group manages foreign currency risk by hedging its transactions using foreign currency forward contracts. The foreign exchange forward contracts are not designated as cash flow hedges, and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 2 to 6 months. As at March 31, 2025, the Group has not hedged its receivables in foreign currency and has hedged 98% of its payables in foreign currency.

The following table provide the details of forward contracts outstanding at the consolidated Balance Sheet date:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Forward contracts to buy(Hedge of payables)	USD	4.97	433.08
	EURO	0.01	0.63

The details of unhedged foreign currency exposure as at the Consolidated Balance Sheet date are as follows:

As at March 31, 2025

	Currency	Foreign currency in Crore	₹ in Crore
Trade payables (net of advances)	EURO	0.05	4.68
	GBP	0.01	0.55
	AUD	0.00	0.02
Trade receivables	USD	0.10	9.64
	EURO	0.06	5.96
	GBP	0.09	8.12
	HKD	0.03	2.32
Bank balances	CNY	0.03	0.33
	BDT	0.18	0.12

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies, with all other variables held constant. The impact on the Group's Profit/ loss before tax is due to changes in the foreign currency rate is as below.

₹ in Crore

Percentage change (%)	**As at March 31, 2025**	
	0.50% increase	**0.50% decrease**
Increase/ (decrease) in Profit/ loss before tax	0.11	(0.11)
Increase/ (decrease) in Profit/ loss after tax	0.08	(0.08)

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Group periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

The Group only deals with parties which has good credit rating given by external rating agencies or based on the Group's internal assessment.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable dues where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group is exposed to credit risk from its operating activities (primarily trade receivables and security deposits).

Trade receivables

Customer credit risk is managed by each business unit, subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed, and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. As at March 31, 2025, the Group has 24 customers that owed the Group more than ₹ 5.00 Crore each and account for approximately 75% of all the receivables outstanding. There are 158 customers with balances greater than ₹ 0.50 Crore each and account for approximately 12% of the total amounts receivable.

An impairment analysis is performed at each reporting date on the basis of sales channel. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The calculation is based on losses from historical data.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at March 31, 2025 , is the carrying amount as provided in Note - 15.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

c) Liquidity risk

The Group monitors its risk of shortage of funds. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, debentures, preference shares and commercial papers. Approximately, 92% of the Group's debt will mature in less than one year based on the carrying value of borrowings reflected in the financial statements. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to various sources of funding.

The below tables summarises the maturity profile of the Group's financial liabilities based on contractual payments.

As at March 31, 2025

₹ in Crore

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings*	920.80	84.59	-	1,005.39
Lease liabilities	566.20	1,188.20	367.22	2,121.62
Other financial liabilities	197.93	236.76	911.76	1,346.45
Deposits	250.55	274.30	-	524.85
Trade payables	2,121.32	-	-	2,121.32
Total	**4,056.80**	**1,783.85**	**1,278.98**	**7,119.63**

*Includes interest

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations, to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

The Group is leader in apparels in the country and has a diversified portfolio of brands.

d) Price risk

The Company invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

The sensitivity analysis has prepared by the Management is based on the financial assets and financial liabilities held at March

continue to next page

31, 2025.

NOTE - 47 CAPITAL MANAGEMENT

The Group's objective, when managing capital is to ensure the going concern operation and to maintain an efficient capital structure to reduce the cost of capital, support the corporate strategy and meet shareholder's expectations. The policy of the Group is to borrow funds through banks/ financial institutions supported by committed borrowing facilities to meet anticipated funding requirements. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirement of financial markets.

The capital structure is governed by policies approved by the Board of Directors, and is monitored by various metrics. Funding requirements are reviewed periodically with any debt issuances.

The following table summarises the capital of the Company (debts excludes lease liabilities):

₹ in Crore

	As at March 31, 2025
Short-term debts (including current maturities of long-term borrowings)	874.75
Long-term debts	77.44
Total borrowings	**952.19**
Equity (Including Share Suspense)	1,276.53

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings.

During the year, the Company has not defaulted on any loans payable, and there have been no breach of any financial covenants attached to the borrowings.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025.

Note 48: Business Combination

DEMERGER OF MADURA FASHION & LIFESTYLE BUSINESS ("MFL BUSINESS")

The Board at its meeting held on April 19, 2024, subject to necessary approvals, considered and approved the demerger of the Madura Fashion and Lifestyle ('MFL') Business under a Scheme of Arrangement between Aditya Birla Fashion and Retail ('Demerged Company') and Aditya Birla Lifestyle Brands Limited ('Resulting Company'). The Scheme provided for demerger, transfer, and vesting of the MFL Business from the Demerged Company to the Resulting Company on a going concern basis, with the Resulting Company issuing equity shares to the equity shareholders of the Demerged Company as a consideration. The demerger was executed through an NCLT scheme of arrangement. The Scheme provided that all shareholders of the demerged company will hold identical shareholdings in both the companies, post the demerger.

Pursuant to the NCLT's directions, a meeting of the equity shareholders of the Demerged Company was conducted on January 21, 2025, and the Scheme was approved by the requisite majority of equity shareholders. The Demerged Company and the Resulting Company filed a joint petition with the Hon'ble NCLT on January 25, 2025. The Scheme received sanction from the Hon'ble NCLT on March 27, 2025, and a certified copy of the order was received on April 22, 2025 ("Order"). Subsequently, the Demerged and Resulting Company filed the certified copy of the Order and the Scheme with the Registrar of Companies, Mumbai, making the Scheme effective from May 1, 2025. The Record Date was set for May 22, 2025.

Management has evaluated that Promoter along with other promoter group companies (together referred to as 'Promoters') of the demerged company have de-facto control over the MFL division, both before and after the demerger, on account of the factors described below:

1. The Company is a wholly owned subsidiary of Aditya Birla Fashion and Retail Limited ('ABFRL') on the date of transfer;
2. Total cumulative shareholding of the Promoters relative to the size and dispersion of holding of other shareholders;
3. Post issue of shares by the Company to the existing shareholders of the Demerged Company, there would be no potential voting rights other than the equity shares. Further, none of the other shareholders would have any contractual or legal veto rights.

Basis above, the Management has determined that acquisition of MFL division shall be accounted in the books of the Company as a common control capital reorganisation by applying the principles prescribed in Appendix C of Ind AS 103, Business combinations of entities under common control, at the respective book values of assets and liabilities as recorded in the books of ABFRL.

The Company was incorporated on April 9, 2024. However, the approved Scheme provides for an appointed date of April 1, 2024. Accordingly, the Management has given effect to the acquisition of MFL business with effect from the appointed date of April 1, 2024.

Details of assets and liabilities taken over are as follows:

Acquired pursuant to Composite Scheme	₹ in Crore
Assets	
Non-Current Assets	
Property, plant and equipment	504.09
Capital work-in-progress	56.75
Goodwill	692.05
Other intangible assets	552.40
Right to use	1,496.18
Financial assets	
(i) Loans	0.41
(ii) Security deposits	180.43
(iii) Other financial assets	198.48
Deferred tax assets (net)	152.64
Non-current tax assets (net)	11.21
Other non-current assets	42.72
Total - Non-current assets	**3,887.36**
Current assets	
Inventories	2,201.37
Financial assets	
(i) Current Investments	361.75
(ii) Loans	7.50
(iii) Security deposits	70.66
(iv) Trade receivables	947.94
(v) Cash and cash equivalent	132.35
(vi) Bank balance other than above	0.16
(vii) Other financial assets	79.17
Other current assets	665.60
Total - Current assets	**4,466.50**
TOTAL - ASSETS - A	**8,353.86**
Non-current liabilities	
Financial liabilities	
(i) Borrowings	60.03
(ii) Deposits	261.02
(iii) Lease liability	1,408.17
(iv) Other financial liabilities	508.37
Provisions	7.66
Other non-current liabilities	23.27
Total - Non-current liabilities	**2,268.52**
Current liabilities	
Financial liabilities	
(i) Borrowings	1,345.50
(ii) Trade payables	
Total outstanding dues of micro enterprises and small enterprises	65.05
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,891.31
(iii) Deposits	261.02
(iv) Lease liability	496.13
Other financial liabilities	119.72
Provisions	129.04
Other current liabilities	558.89
Total - Current liabilities	**4,866.66**
Total - Liabilities - B	**7,135.18**
Net Assets - C (A - B)	**1,218.68**

Against the net assets of ₹ 1,218.68 Crore, the Company has created share suspense and share based payment reserve of ₹1,220.26 crore and ₹40.00 Crore respectively and the balance of ₹(41.58) Crore has been recognised as Capital reserve.

NOTE - 49 GROUP INFORMATION

The consolidated financial statements of the Group include subsidiary listed in the table below:

Name of the entity	Relationship with Company	Country of incorporation	Principal Activities	Proportion of ownership interest and voting power held by Parent
	As at March 31, 2025			
Aditya Birla Garments Limited	Subsidiary	India	Manufacturing and distribution	100.00%

NOTE - 50 ADDITIONAL INFORMATION REQUIRED UNDER SCHEDULE III OF THE COMPANIES ACT, 2013

Year ended March 31, 2025

Name of the entity	Net assets i.e. total assets minus total liabilities		Share in profit/ (loss)		Share in other comprehensive income/ (loss) (OCI)		Share in total comprehensive income/ (loss) (TCI)	
	As % of consolidated net assets	₹ in Crore	As % of consolidated profit/ (loss)	₹ in Crore	As % of consolidated OCI	₹ in Crore	As % of TCI	₹ in Crore
Parent								
Aditya Birla Lifestyle Brands Limited	101.36%	1,293.90	115.77%	69.00	97.74%	(3.22)	116.82%	65.78
Subsidiaries								
Aditya Birla Garments Limited	1.38%	17.56	-15.89%	(9.47)	2.26%	(0.07)	-16.94%	(9.54)
Adjustments arising out of consolidation	-2.74%	(34.93)	0.12%	0.07	0.00%	-	0.12%	0.07
Total	**100.00%**	**1,276.53**	**100.00%**	**59.60**	**100.00%**	**(3.29)**	**100.00%**	**56.31**

Note 51: Summary of other accounting policies

(a) Fair value measurements and hierarchy

The Group measures financial instruments, such as investments (other than equity investments in subsidiaries) and derivatives at fair value at each Consolidated 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 Group.

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 Group 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, characteristics and risks:

- Level 1 - inputs are quoted (unadjusted) market prices in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(b) 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 Consolidated Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Consolidated 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 Consolidated Statement of Profit and Loss are also reclassified in OCI or the Consolidated Statement of Profit and Loss, respectively).

(c) 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 Statement of Profit and Loss 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.

(d) Borrowing costs

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

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 Consolidated Statement of Profit and Loss.

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

(e) 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.

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

be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

The Group had adopted the new tax regime as per Section 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

Current tax and deferred tax relating to items recognised outside the Consolidated Statement of Profit and Loss are recognised outside the Consolidated 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.

(f) Property, plant and equipment

Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Property, plant and equipment is stated at cost net of accumulated depreciation and 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 Group, 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 Consolidated Statement of Profit and Loss, during the reporting period in which they are incurred.

Capital work-in-progress is stated at cost net of accumulated impairment losses, if any.

Based on managements' assessment, items of property, plant and equipment individually costing less than five thousand rupees, are depreciated within one year from the date the asset is ready to use or useful life of class of asset to which these assets belong.

Gains or losses on disposal of property, plant and equipment are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Profit and Loss within other gains/ losses.

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.

(g) 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 Consolidated 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 Consolidated Statement of Profit and Loss.

Intangible assets with indefinite useful life are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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 Consolidated Statement of Profit and Loss when the asset is de-recognised.

(h) Business combination and goodwill

Business Combinations are accounted for using the acquisition method. Cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values. However, certain assets and liabilities i.e. deferred tax assets or liabilities, assets or liabilities related to employee benefit arrangements, liabilities or equity instruments related to share-based payment arrangements and assets or disposal groups that are classified as held for sale, acquired or assumed in a business combination are measured as per the applicable Ind-AS.

Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Group is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

At the acquisition date, goodwill on business combination is initially measured at cost, being the excess of the sum of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net identifiable assets acquired and the liabilities assumed.

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

A cash-generating unit (CGU) to which goodwill has been allocated is tested for impairment annually as at reporting date. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(i) Impairment of non-financial assets

At the end of each reporting period, the Group 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 Consolidated 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 are recognised in the Consolidated 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 Consolidated 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.

(j) 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 and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables which do not contain significant financing component are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the Consolidated Statement of Profit and Loss are recognised immediately in the Consolidated Statement of Profit and Loss.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on the trade date.

All recognized financial assets, are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime credit losses to be recognized from initial recognition of the receivables.

For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

(a) Non-derivative financial assets

(i) Financial assets at amortised cost

Financial asset is measured at amortised cost using Effective Interest Rate (EIR), if both the conditions are met:

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value Through Profit or Loss (FVTPL). Interest income is recognised in the Consolidated Statement of Profit and Loss and is included in the 'Other income' line item.

(ii) Financial assets at Fair Value Through Other Comprehensive Income (FVTOCI)

An instrument shall be measured at FVTOCI, if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and
- The asset's contractual cash flows represent Solely Payments of Principal and Interest (SPPI).

Financial assets included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction cost. Fair value movements are recognised in other comprehensive income. However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain/ (loss) in the Consolidated Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Consolidated Statement of Profit and Loss.

(iii) Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (refer above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or financial assets that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss. The net gain or loss recognised in the Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(iv) Equity investments

Equity investments are measured at fair value as per Ind AS 109. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group has an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Consolidated Statement of Profit and Loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Impairment of financial assets:

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix, which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in OCI and is not reduced from the carrying amount in the Consolidated Balance Sheet.

(b) Non-derivative financial liabilities

(i) Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(1) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(2) Compound financial instruments:

The component parts of compound financial instruments (convertible notes) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

(3) Financial liabilities:

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading, if:

- It has been acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not a financial guarantee contract or designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition, if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contracts to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in the Consolidated Statement of Profit and Loss.

However, financial liabilities that are not held-for-trading and are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the Consolidated Statement of Profit and Loss, in which case these effects of changes in credit risk are recognised in the Consolidated Statement of Profit and Loss. The remaining amount of change in the fair value of liability is always recognised in the Consolidated Statement of Profit and Loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in other comprehensive income under other equity and are not subsequently reclassified to the Consolidated Statement of Profit and Loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities subsequently measured at amortised cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

(ii) Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the Consolidated Statement of Profit and Loss as 'Finance costs'.

(iii) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Consolidated Statement of Profit and Loss, except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the Consolidated Statement of Profit and Loss, and other changes in the fair value of FVTOCI financial assets are recognised in OCI.

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Consolidated Statement of Profit and Loss.

De-recognition of financial assets and financial liabilities

The Group de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable, and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Consolidated Statement of Profit and Loss.

On de-recognition of a financial asset other than in its entirety (for example: when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the Consolidated Statement of Profit and Loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group de-recognises financial liabilities only when the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Consolidated Statement of Profit and Loss.

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the Consolidated Balance Sheet where there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

(k) Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Consolidated Statement of Profit and Loss.

(l) Inventories

Raw materials, components, stores and spares, and packing materials are valued at lower of cost or net realisable value. However, these items are considered to be realisable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. Cost includes cost of purchase and other costs in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Traded goods, work-in-progress and finished goods are valued at cost or net realisable value, whichever is lower. Work-in-progress and finished goods include costs of direct materials, labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing cost. Traded goods cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Proceeds in respect of sale of raw materials/ stores are credited to the respective heads. Obsolete and defective inventory are duly provided for, basis the management estimates.

(m) Provisions and contingent liabilities

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash

continue to next page

flows (when the effect of the time value of money is material).

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursements.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group (Refer Note – 44).

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Employee benefits

(a) Short-term employee benefits

Short-term employee benefits are recognised as an expense on accrual basis.

(b) Defined contribution plan

The Group makes defined contribution to the Government Employee Provident Fund and Superannuation Fund, which are recognised in the Consolidated Statement of Profit and Loss, on accrual basis. The Group recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation, other than the contribution payable to the provident fund.

(c) Defined benefit plan

The Group operates a defined benefit gratuity plan. The Group operates gratuity plan through a Trust wherein certain employees are entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service as per the Payment of Gratuity Act, 1972. The subsidiary within the group operates an unfunded gratuity plan. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The benefit vests after five years of continuous service and the same is payable on termination of service or retirement, whichever is earlier. A part of the gratuity plan is funded (maintained by an independent insurance Group) and another part is unfunded and managed within the Group, hence the liability has been bifurcated into funded and unfunded. The Group's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Consolidated Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in the 'Employee benefits expense' in the Consolidated Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. These are presented as re-measurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Consolidated Statement of Profit and Loss.

(d) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group recognises accumulated compensated absences based on actuarial valuation in the Consolidated Statement of Profit and Loss.

The Group presents the entire leave as a current liability in the Consolidated Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

(o) Share-based payment

Certain employees of the Company have been granted stock-based awards, including stock options, stock appreciation rights (SARs), and restricted stock units (RSUs) of Aditya Birla Fashion and Retail Limited (Demerged Company), in accordance with the ESOP Policy of ABFRL. In compliance with Ind AS 102 – Share-based Payments, the Company has accounted for these awards using the graded vesting method. The Grant date fair value of equity-settled awards has been used for the purpose of accounting the related expenses. SARs are remeasured at fair value at each balance sheet date, with changes recognized in the Statement of Profit and Loss.

(p) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. Earnings, considered in ascertaining the Group's earnings per share, is the net profit for the period after deducting preference dividends. The weighted average number of equity shares outstanding during the period is adjusted for treasury shares and events such as bonus issue, bonus element in a rights issue 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 of the Group and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(q) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Balance Sheet and for the purpose of the Consolidated Statement of Cash Flows comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

(r) Common control business acquisition

Acquisition of business under common control has been accounted in accordance with "Pooling of interest method", as specified below:

(a) All assets and liabilities acquired are stated at their carrying values as appearing in the financial statements of de-merged company

(b) Shares held by the de-merged company in the Company shall be cancelled

(c) Difference between the carrying amounts of assets and liabilities acquired, face value of the shares cancelled as referred to in (b) above and the amount recorded as share-capital issued to the shareholders of the de-merged company shall be transferred to capital reserve; and

(d) Financial information relating to the acquired business has been accounted from the beginning of the financial year, as if the acquisition had occurred from that date.

NOTE - 52 ADDITIONAL REGULATORY INFORMATION REQUIRED BY SCHEDULE III

(i) DETAILS OF BENAMI PROPERTY HELD

No proceedings have been initiated on or are pending against the Group under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.

(ii) COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under Section 2(87) of the Companies Act, 2013 read with Companies (Restriction of number of layers) Rules, 2017.

(iii) RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company has no transactions with or balances due to or from companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) BORROWINGS SECURED AGAINST CURRENT ASSETS

The Group has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts.

(v) WILFUL DEFAULTER

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) COMPLIANCE WITH APPROVED SCHEME(S) OF ARRANGEMENTS

The Group has accounted for the Scheme of arrangement with Aditya Birla Fashion and Retail Limited in accordance with the accounting treatment as specified in the Scheme. (Refer Note 48)

(vii) UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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.

The Company has not received any funds 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 on behalf of the ultimate beneficiaries.

(viii) UNDISCLOSED INCOME

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in crypto currency or virtual currency during the current year.

(x) VALUATION OF PROPERTY PLANT AND EQUIPMENT (INCLUDING RIGHT-OF-USE ASSETS) AND INTANGIBLE ASSETS

The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) and Intangible assets during the current year. The Company did not have any Investment Property during the current or previous year.

(xi) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

NOTE - 53

Comparative Financial Information

The Company was incorporated on April 9, 2024 and accordingly comparative numbers have not been presented in these financial statements.

Aditya Birla Lifestyle Brands Limited

Corporate Identity Number (CIN): U46410MH2024PLC423195

11. LATEST RESTATED AUDITED FINANCIALS ALONG WITH NOTES TO ACCOUNTS AND ANY AUDIT QUALIFICATIONS.

Please refer point no. 10

12. CHANGE IN ACCOUNTING POLICIES IN LAST THREE FINANCIAL YEARS AND THEIR EFFECT ON PROFITS AND RESERVES

There has been no change in accounting policies of the Company.

13. SUMMARY TABLE OF CONTINGENT LIABILITIES AS DISCLOSED IN THE FINANCIAL STATEMENTS

Refer Note No. 44 of the Standalone Audited Financial Statements and Consolidated Audited Financial Statements given in point no. 10 above

14. SUMMARY TABLE OF RELATED PARTY TRANSACTIONS IN LAST THREE YEARS AS DISCLOSED IN THE FINANCIAL STATEMENTS

Refer Note No. 45 of the Standalone Audited Financial Statements and Consolidated Audited Financial Statements given in point no. 10 above

15. DETAILS OF GROUP COMPANIES OF THE COMPANY INCLUDING THEIR CAPITAL STRUCTURE AND FINANCIAL STATEMENTS

The details of our Group Companies are as set forth below:

1. Aditya Birla Fashion and Retail Limited ("ABFRL")

Corporate Information:

ABFRL is a public company, limited by shares, incorporated under the Companies Act, 1956 bearing corporate identification number L18101MH2007PLC233901 and having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
2,03,60,00,000 equity Shares (of face value ₹ 10 each)	20,36,00,00,000
5,00,000 8% redeemable cumulative preference shares of ₹ 10 each	50,00,000
15,000 6% redeemable cumulative preference shares of ₹ 100 each	15,00,000
95,00,000 preference shares of ₹ 10 each	9,50,00,000
2,00,00,000 preference Shares of face value of ₹ 1 each	2,00,00,000
Total	**20,48,15,00,000**
Issued and Subscribed Share Capital	
1,22,05,00,277 equity shares of ₹ 10 each	12,20,50,02,770
5,55,000 8% non-cumulative non-convertible redeemable preference shares of ₹ 10 each	55,50,000
Total	**12,21,05,52,770**
Paid-up Share Capital	
1,22,02,94,773 equity shares of ₹ 10 each	12,20,29,47,730
5,55,000 8% non-cumulative non-convertible redeemable preference shares of ₹ 10 each	55,50,000
Total	**12,20,84,97,730**

Financial Information (on consolidated basis):

₹ in Crore

Particulars	FY 2024-25*	FY 2023-24**	FY 2022-23#
Reserves (excluding revaluation reserves)	5,591.91	3,007.37	2,394.50
Sales	7,354.73	6,441.49	12,417.90
Profit after Tax	(624.17)	(907.02)	(59.47)
Earnings per share	(5.12)	(8.29)	(0.38)
Diluted earnings per share	(5.12)	(8.29)	(0.38)
Net asset value	6,813.29	4,709.61	3,346.00

*Only continuing operations are disclosed

**Includes both continuing and discontinuing operations for balance sheet items and only continuing operations for PL items

Includes both continuing and discontinuing operations

2. Aditya Birla Garments Limited ("ABGL")

Corporate Information:

ABGL was incorporated as a public limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated June 19, 2022, issued by Registrar of Companies, Central Registration Centre, having Corporate Identity Number U18100MH2022PLC384566. Its registered office is situated at Piramal Agastya, Building A, 401, 403, 501, 502, LBS Road, Kurla, Mumbai – 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
4,00,00,000 equity Shares (of face value ₹ 10 each)	40,00,00,000
Total	**40,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
3,50,00,000 equity shares of ₹ 10 each	35,00,00,000
Total	**35,00,00,000**

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	(7.90)	(3.96)	NA
Sales	7.67	0.09	NA
Profit after Tax	(3.91)	(3.96)	NA
Earnings per share	(1.22)	(8.14)	NA
Diluted earnings per share	(1.22)	(8.14)	NA
Net asset value	27.10	11.04	NA

3. Finesse International Design Private Limited ("FIDPL")

Corporate Information:

FIDPL was incorporated as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation dated May 31, 2007, issued by Ministry of corporate affairs, having Corporate Identity Number U74900DL2007PTC164203. Its registered office is situated at D-32, Lala Lajpat Rai Marg, Defence Colony, New Delhi - 110024, India.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
17,00,000 equity Shares (of face value ₹ 10 each)	1,70,00,000
Total	**1,70,00,000**
Issued, Subscribed and Paid-up Share Capital	
16,62,966 equity shares of ₹ 10 each	1,66,29,660
Total	**1,66,29,660**

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	10.97	5.09	16.63
Sales	85.43	70.87	46.22
Profit after Tax	(13.86)	(11.60)	(7.54)
Earnings per share	(91.23)	(78.99)	(52.89)
Diluted earnings per share	(91.23)	(78.99)	(52.89)
Net asset value	12.63	6.56	18.09

4. Indivinity Clothing Retail Private Limited ("ICRPL")

Corporate Information:

ICRPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated March 3, 2021, issued by Ministry of corporate affairs, having Corporate Identity Number U18109HR2021PTC093323. Its registered office is situated at P No 708, Sector 37 Pace City II, Gurgaon, Haryana, India, 122001.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
10,50,00,000 equity Shares (of face value ₹ 10 each)	105,00,00,000
Total	**82,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
10,43,41,792 equity shares of ₹ 10 each	1,04,34,17,920
Total	**1,04,34,17,920**

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	(37.79)	25.85	3.62
Sales	100.06	49.29	1.57
Profit after Tax	(163.31)	(67.68)	(30.59)
Earnings per share	(27.66)	(15.54)	(8.74)
Diluted earnings per share	(27.66)	(15.54)	(8.74)
Net asset value	21.26	84.90	38.62

5. Sabyasachi Calcutta LLP ("Sabyasachi")

Corporate Information:

Sabyasachi group was incorporated in India under the Limited Liability Partnership Act, 2008, pursuant to a certificate of registration dated February 4, 2021. Its registration number is AAV-7132 and its registered office is situated at 80/2 Topsia Road South, Kolkata, West Bengal, 700046.

Partner's Contribution:

The total obligation of the partners of the LLP is ₹10,12,54,55,284 and it is received from all the partners of the LLP in entirety.

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	(30.70)	(17.53)	(3.76)
Sales	486.82	343.86	229.42
Profit after Tax	31.61	7.96	27.72
Earnings per share	NA	NA	NA
Diluted earnings per share	NA	NA	NA
Net asset value	936.05	904.86	796.16

6. Jaypore E-Commerce Private Limited ("Jaypore")

Corporate Information:

Jaypore was incorporated as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation dated February 21, 2012, issued by Ministry of corporate affairs, having Corporate Identity Number U51900MH2012PTC422224. Its registered office is situated at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S. Road, Kurla, Mumbai City, Mumbai, Maharashtra, India, 400070.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
2,20,00,000 Equity Shares (of face value ₹ 10 each)	22,00,00,000
Total	**22,00,00,000**
Issued, Subscribed and Paid-up Share Capital	
2,13,65,293 equity shares of ₹ 10 each	21,36,52,930
Total	**21,36,52,930**

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	(10.61)	22.72	58.47
Sales	79.59	75.87	39.85
Profit after Tax	(56.99)	(35.99)	(25.73)
Earnings per share	(38.72)	(24.49)	(25.38)
Diluted earnings per share	(38.72)	(24.49)	(25.38)
Net asset value	5.75	37.42	73.16

7. House of Masaba Lifestyle Private Limited ("HOMLPL")

Corporate Information:

HOMLPL was incorporated as a private limited company under the Companies Act, 2013, pursuant to the certificate of incorporation dated September 9, 2014, issued by Ministry of corporate affairs, having Corporate Identity Number U74110MH2014PTC257909. Its registered office is situated at Plot No 80 & 89, Marol Co-operative Industrial Estate, Marol, Andheri (East), Mumbai, Maharashtra, 400059.

Capital Structure:

Particulars	Amount (in ₹)
Authorized Share Capital	
14,00,000 Equity Shares (of face value ₹ 10 each)	1,40,00,000
Total	**1,40,00,000**
Issued, Subscribed and Paid-up Share Capital	
12,54,644 equity shares of ₹ 10 each	1,25,46,440
Total	**1,25,46,440**

Financial Information:

₹ in Crore

Particulars	FY 2023-24	FY 2022-23	FY 2021-22
Reserves (excluding revaluation reserves)	22.56	45.27	4.68
Sales	69.56	50.21	28.56
Profit after Tax	(22.69)	(11.92)	0.88
Earnings per share	(226.67)	(139.35)	76.16
Diluted earnings per share	(226.67)	(139.35)	76.16
Net asset value	23.56	46.27	4.80

16. INTERNAL RISK FACTORS

i. Our Company was incorporated on April 9, 2024 and there may be certain uncertainties in the integration of the Demerged undertaking into a newly incorporated entity, such as our Company.

ii. Fashion and retail industry is highly competitive, if we do not respond to competition effectively, our results of operation, financial condition and cash flows may be adversely affected.

iii. Our business depends on our ability to obtain and retain quality retail spaces;

iv. We may face the risk of our designs being out of trend;

v. Current trend of discounting and pricing strategies may adversely affect the value of our brand and our sales;

vi. The success of our business is dependent on an agile and efficient supply chain management. Any disruptions or delays in the supply of our products could hamper our operations and adversely impact our business and results of operations;

17. OUTSTANDING LITIGATIONS AND DEFAULTS OF THE COMPANY, PROMOTERS, DIRECTORS OR ANY OF THE GROUP COMPANIES

The summary of outstanding or pending litigations involving our Company, Subsidiaries, Directors, Promoters and Group Companies, is set out below:

₹ in Crore

Category of individuals / entities	Criminal Proceedings	Tax Proceedings	Statutory or regulatory actions	Disciplinary actions by SEBI or Stock Exchanges against our Promoter in the last five years, including outstanding action	Material civil litigation	Aggregate amount involved*
Company						
By the Company	17**	Nil	Nil	N.A.	1	5.67
Against the Company	Nil	Nil	Nil	N.A.	3	8.64
Directors						
By the Directors	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Directors	1	Nil	Nil	N.A.	Nil	Nil
Promoters						
By the Promoters	Nil	Nil	Nil	N.A.	Nil	Nil
Against the Promoters	Nil	10	Nil	Nil	Nil	21.91
Subsidiary						
By the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Against the Subsidiary	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies						
By the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil
Against the Group Companies	Nil	Nil	Nil	Nil	Nil	Nil

* To the extent quantifiable

** This includes 12 cases filed against various parties under Section 138 of the Negotiable Instruments Act, 1881. The aggregate amount involved in such proceedings is approximately ₹ 1.57 crores.

18. REGULATORY ACTION / DISCIPLINARY ACTION TAKEN BY SEBI OR STOCK EXCHANGES AGAINST OUR PROMOTERS IN LAST 5 FINANCIAL YEARS

There are no regulatory proceedings or disciplinary actions, taken by SEBI or stock exchanges against our Promoters in the last five financial years including any outstanding action.

19. BRIEF DETAILS OF OUTSTANDING CRIMINAL PROCEEDINGS AGAINST OUR PROMOTERS

There are no criminal proceedings against our Promoters.

20. PARTICULARS OF HIGH, LOW AND AVERAGE PRICES OF THE SHARES OF THE LISTED TRANSFEROR (i.e., ADITYA BIRLA FASHION AND RETAIL LIMITED) FOR THE PRECEDING THREE YEARS

The Equity Shares of Aditya Birla Fashion and Retail Limited are listed on NSE and BSE. The following table provides details of the high, low and average closing price of Aditya Birla Fashion and Retail Limited on NSE and BSE for the preceding three years:

Year	BSE Limited			National Stock Exchange of India Limited		
	High Price (₹)	Low Price (₹)	Average Price* (₹)	High Price (₹)	Low Price (₹)	Average Price* (₹)
Fiscal 2023	359.40	200.20	281.27	359.50	206.20	281.27
Fiscal 2024	265.75	184.40	219.76	266.00	184.40	219.76
Fiscal 2025	364.50	206.25	292.90	364.40	205.80	292.90
	Source: website of BSE Limited			Source: website of National Stock Exchange of India Limited		

*The average price is simple average of closing prices for all the trading days of a particular financial year.

21. ANY MATERIAL DEVELOPMENTS AFTER THE DATE OF THE BALANCE SHEET

Except as disclosed above and in the Information Memorandum, to the knowledge of the Company, there are no circumstances which have arisen since the last Audited Financial Statements disclosed in the Information Memorandum which may materially or adversely affect or are likely to affect the Company's operations, profitability or value of the assets.

22. SUCH OTHER INFORMATION AS MAY BE SPECIFIED BY THE BOARD FROM TIME TO TIME

The Information Memorandum shall be made available on the Company's website (www.abllbl.in).

For Aditya Birla Lifestyle Brands Limited

SD/-

Date: June 16, 2025 Rajeev Agrawal

Place: Mumbai Company Secretary & Compliance Officer

ACS: A18877

जाहीर सूचना

सूचना याद्वारे देण्यात येते की, **(१) श्री. हसमुख मोरारजी संगोई आणि (२) श्री. प्रफुल्ल मोरारजी संगोई** हे **''प्रताप अपार्टमेंट को-ऑपरेटिव्ह हाऊसिंग सोसायटी लिमिटेड''** या नावाच्या इमारतीच्या ''अ'' विंगमधील दुसऱ्या मजल्यावरील फ्लॅट क्र. २०६ चे मालक असून त्यांना सदर फ्लॅटचा वापराचा हक्क आहे. ही इमारत सी.टी.एस. क्र. ३०६ धारक, सर्व्हे क्र. ३९, हिस्सा क्र. २, गाव कन्हेरी, तालुका – बोरिवली, मुंबई उपनगर जिल्हा येथील भूखंडाच्या भागावर उभी असून कार्टर रोड क्र. ३, बोरिवली (पूर्व), मुंबई – ४०००६६ येथे स्थित आहे. सदर मिळकतीचा मालमत्ता कर खाते क्रमांक **आरसी१३०३६९०६५००००** आहे. सदर फ्लॅटसाठी शेअर प्रमाणपत्र क्र. ३० असून त्यामध्ये रु. ५०/- किंमतीचे विशिष्ट क्रमांक १४६ ते १५० या शेअर्सचा समावेश आहे. सदर फ्लॅटचे बिल्ट-अप क्षेत्रफळ ३९५ चौ.फुट म्हणजेच ३६.७० चौ.मी. इतके आहे. सदर मालकांनी वरील फ्लॅट माझ्या अशिलांस विकण्याचे मान्य केले आहे.

वरील **(१) श्री. हसमुख मोरारजी संगोई आणि (२) श्री. प्रफुल्ल मोरारजी संगोई** यांनी खालील प्रमाणे मूळ करार पत्रे हरविल्याचे नमूद केले आहे: (१) दिनांक २४/०५/१९७५ रोजी **प्रताप इस्टेट्स प्रायव्हेट लिमिटेड आणि श्री. मनुभाई शिवलाल जोशी** (मूळ मालक) यांच्यात केलेला विक्री करार (२) दिनांक २५/०१/२०११ रोजी **श्रीमती उषाबेन मनुभाई जोशी आणि (१) श्री. हसमुख मोरारजी संगोई** व **(२) श्री. प्रफुल्ल मोरारजी संगोई** यांच्यात करण्यात आलेला विक्री करार, जो क्रमांक **बीडीआर-११-००८७६-२०११** नोंदणीखाली **दिनांक २९/०१/२०११** रोजी संयुक्त उपनिबंधक, बोरिवली-५, मुंबई उपनगर जिल्हा यांच्याकडे नोंदविण्यात आलेला आहे. सदर करारपत्र हरविल्याबाबत त्यांनी कस्तुरबा मार्ग पोलीस ठाणे, बोरिवली (पूर्व), मुंबई येथे हरवल्याचा अहवाल क्रमांक **४६६३०-२०२५**, दिनांक **१४/०४/२०२५** रोजी नोंदविला आहे.

सदर **श्रीमती उषाबेन मनुभाई जोशी** यांनी त्यांच्या पती **श्री. मनुभाई शिवलाल जोशी** (मूळ मालक) यांचे सन २००८ मध्ये निधन झाल्यानंतर, त्यांच्या मृत्युसमयी त्यांच्यावर लागू असलेल्या उत्तराधिकार कायद्यानुसार, सदर मिळकत वारसाहक्काने प्राप्त केली आहे.

कोणत्याही व्यक्तीस किंवा व्यक्तींना वरील फ्लॅटबाबत कोणताही हक्क, नाव, स्वत्व किंवा ताब्यावर कोणत्याही प्रकारचा दावा असल्यास, त्यांनी ही माहिती आवश्यक कागदपत्रांच्या प्रतींसह, अधोलेखित वकील श्री. दर्शन एच. भट्ट, पत्ता: ३०१, जीवन मंदिर सी.एच.एस.एल., शिंपोळी रोड, गोखले शाळेसमोर, बोरिवली (पश्चिम), मुंबई – ४०००९२ यांना, जाहीर सूचनेच्या प्रसिद्धीपासून **१४ (चौदा) दिवसांच्या** आत, नोंदणीकृत टपालाद्वारे लेखी स्वरूपात कळवावी. अन्यथा, असे समजण्यात येईल की कोणताही असा दावा अस्तित्वात नाही किंवा दावे असल्यास ते त्यागलेले आहेत आणि माझा अशिल वरील मालमत्तेच्या विक्री व्यवहारास अंतिम स्वरूप देईल.

वरील नमूद मालमत्तेचे परिशिष्ट:

''प्रताप अपार्टमेंट को-ऑपरेटिव्ह हाऊसिंग सोसायटी लिमिटेड'' या नावाच्या इमारतीच्या ''अ'' विंगमधील दुसऱ्या मजल्यावरील फ्लॅट क्र. २०६, सी.टी.एस. क्र. ३०६, सर्व्हे क्र. ३९, हिस्सा क्र. २, गाव – कन्हेरी, तालुका – बोरिवली, मुंबई उपनगर जिल्हा, कार्टर रोड क्र. ३, बोरिवली (पूर्व), मुंबई – ४०००६६ येथे स्थित आहे. मालमत्ता कर खाते क्रमांक **आरसी१३०३६९०६५००००**. सदर फ्लॅटसाठी शेअर प्रमाणपत्र क्र. ३० असून, विशिष्ट शेअर क्रमांक १४६ ते १५०, प्रत्येकी रु. ५०/- असे आहेत. सदर फ्लॅटचे मोजमाप ३९५ चौ.फुट बिल्ट अप क्षेत्रफळ म्हणजेच ३६.७० चौ.मीटर इतके आहे.

सही/-

ठिकाण : मुंबई **श्री. दर्शन एच. भट्ट**

दिनांक : १६/०६/२०२५ **वकील, उच्च न्यायालय**

जाहीर सूचना

सूचना याद्वारे देण्यात येते की, मी माझ्या अशिल **श्री. सचिन मधुकर भाटकर** यांना खालील परिशिष्टात अधिक विशेषतः वर्णिलेल्या मिळकतीबाबत भाडेपट्टी हक्क प्राप्त आहेत का याचा तपास करीत आहे. श्री. मधुकर रामचंद्र भाटकर हे खालील नमूद मिळकतीचे कायदेशीर मासिक भाडेकरू होते.

चाळ/पी.टी.एस. क्र. ३ क्रमांकाचे संरचना, ज्याचे मोजमाप **२१.६५** चौ. मीटर चटई क्षेत्रफळ (बाल्कनीच्या समाविष्ट क्षेत्रासह) इतके आहे, ती माहीम विभागातील सी.एस. क्र. १०६२, टी.पी.एस. क्रमांक ४ (माहीम) अंतर्गत एफ.पी. क्र. ९३७ धारक भूखंडावर उभी आहे. ही मिळकत ''भगवानदास इराणी वाडी'' म्हणून ओळखली जाते, तसेच ''साईराज को-ऑप. हाऊसिंग सोसायटी (प्रस्तावित)'' या नावानेही परिचित आहे. सदर मिळकत जी/दक्षिण प्रभाग, प्रभादेवी, मुंबई – ४०००२५ येथे असून ती मुंबई शहर व मुंबई उपनगर नोंदणी जिल्हा आणि उपजिल्ह्याच्या हद्दीत येते.

श्री. मधुकर रामचंद्र भाटकर यांचे दिनांक २५ सप्टेंबर २०१९ रोजी निधन झाले आणि त्यांची पत्नी श्रीमती मनीषा मधुकर भाटकर यांचे दिनांक १६ मार्च २०१४ रोजी निधन झाले. त्यांच्या पश्चात (१) त्यांचा मुलगा श्री. सचिन मधुकर भाटकर आणि (२) मुलगी श्रीमती राखी मनोज गुप्ता हेच कायदेशीर वारस राहिले आहेत.

दिनांक ४ मार्च २०२० रोजीच्या घोषणेन्वये श्री. मधुकर रामचंद्र भाटकर यांची मुलगी श्रीमती राखी मनोज गुप्ता उर्फ कुमारी राखी मधुकर भाटकर यांनी त्यांच्या भावास – श्री. सचिन मधुकर भाटकर यास सदर चाळीतील हिस्स्यावरील आपले हक्क त्यागपत्राद्वारे सोडलेले आहेत. त्यामुळे सदर परिस्थितीमध्ये श्री. सचिन मधुकर भाटकर हे एकमेव भाडेपट्टी हक्काचे हकदार झाले आहेत.

कोणत्याही व्यक्तीस सदर भाडेपट्टी हक्कावर कोणताही हिस्सा, हक्क, हितसंबंध, दावा किंवा हरकत असल्यास, त्यांनी ही माहिती आवश्यक कागदपत्रांसह या जाहीर सूचनेच्या प्रसिद्धी दिनांकापासून **१४ (चौदा) दिवसांच्या** आत अधोलेखित वकील यांच्याकडे लेखी स्वरूपात कळवावी, अन्यथा असे समजण्यात येईल की अशा व्यक्तीने आपला दावा त्यागलेला आहे आणि भविष्यात असा दावा ग्राह्य धरण्यात येणार नाही.

वरील मिळकतीचे परिशिष्ट

(चाळीचे वर्णन)

चाळ/पी.टी.एस. क्र. **३** क्रमांकाची संरचना, ज्याचे मोजमाप **२१.६५** चौ. मीटर चटई क्षेत्रफळ आहे, ती टाउन प्लॅनिंग स्कीम- ४, बॉम्बे सिटी अंतर्गत अंतिम भूखंड क्र. ९३७ वर उभी आहे. सदर मिळकत माहीम विभाग, जी/दक्षिण प्रभागात असून, ''भगवानदास इराणी वाडी'' (जे ''साईराज को.ऑप. हाऊसिंग सोसायटी (प्रस्तावित)'' म्हणूनही ओळखले जाते), वीर सावरकर मार्ग, प्रभादेवी, मुंबई – ४०००२५ येथे स्थित आहे आणि ती मुंबई शहर व मुंबई उपनगर नोंदणी जिल्हा आणि उपजिल्ह्याच्या हद्दीत येते.

दिनांक : १६ जून २०२५ **वकील : हर्षित शहा**

६०४, वेस्ट व्ह्यू हाइट्स, २२०, भालचंद्र रोड, माटुंगा (पूर्व), मुंबई – ४०००१९| ई-मेल – hdshah22@gmail.com

जना स्मॉल फायनान्स बँक

(शेड्युल्ड कमर्शियल बँक)

नोंदणीकृत कार्यालय : दि फेअरवे, तळ आणि पहिला मजला, डोमलूर लगत, कोरमंगला इनर रिंग रोड, ईजीएल बिझनेस पार्कच्या पुढे, चल्लाघट्टा, बंगळुरु-५६००७१. क्षेत्रीय शाखा कार्यालय : जना स्मॉल फायनान्स बँक लि., शॉप क्र. ४ आणि ५, तळमजला, इंडियाबुल्स मिंट, ग्लॅडीज अल्वारेस रोड, हिरानंदानी मिडोज, पोखरण रोड, ठाणे पश्चिम, ४००६१०.

सरफैसी ॲक्ट, २००२ च्या कलम १३(२) अन्वये मागणी सूचना

ज्याअर्थी तुम्ही खालील नमूद कर्जदार, सह-कर्जदार, हमीदार आणि गहाणवटदार यांनी तुमच्या स्थावर मिळकती गहाण ठेवून **जना स्मॉल फायनान्स बँक लिमिटेड**कडून कर्जे घेतली. तुम्ही केलेल्या कसूरीच्या परिणामी तुमचे कर्ज खाते **नॉन परफॉर्मिंग ॲसेट्स** म्हणून वर्गीकृत करण्यात आले आहे. ज्याअर्थी **जना स्मॉल फायनान्स बँक लिमिटेड**ने तारण धनको म्हणून ॲक्ट अन्वये आणि सदर ॲक्टच्या कलम १३(२) सहवाचता सिक्युरिटी इंटरेस्ट (एन्फोर्समेंट) रूल्स, २००२ च्या नियम २ अन्वये प्रदान केलेल्या अधिकारांचा वापर करून सूचनेच्या तारखेपासून **६० दिवसांत** त्यावरील व्याजासह सूचनेत नमूद केलेली रक्कम चुकती करण्यासाठी रकाना क्र. २ मध्ये नमूद कर्जदार/सह-कर्जदार/हमीदार/गहाणवटदार यांना बोलाविण्यासाठी **मागणी सूचना** जारी केली होती, परंतु विविध कारणांमुळे त्यांच्याकडे सूचनेची बजावणी झालेली नाही.

अ. क्र.	कर्जदार/सह-कर्जदार/हमीदार/गहाणवटदारांचे नाव	कर्ज खाते क्र. आणि कर्ज रक्कम	सक्तवसुली करावयाच्या तारणांचा तपशील	एनपीएची तारीख आणि मागणी सूचना तारीख	थकबाकी रक्कम रु.त./रोजीस
१	१. श्री. संदेश चोगले (कर्जदार) २. सौ. रोहिणी चोगले (सह-कर्जदार)	कर्ज खाते क्र. ३०९९८९०००२४९९ कर्जाची रक्कम: रु. ५,००,०००/-	**गहाण ठेवलेली स्थावर मिळकत – परिशिष्टीत मिळकत १:** फ्लॅट क्र. १, एकूण क्षेत्र मोजमापित ३८० चौ. फू. सर्व्हे क्र. २६/७/३ आणि हिस्सा क्र. ७/३, तळ मजला, बी विंग, लक्ष्मी छिला अशी ज्ञात इमारत, येथे/पोस्ट- भाल, तालुका अंबरनाथ, जिल्हा – ठाणे (४२१३०६) [illegible]	एनपीए ची तारीख: ०१-०६-२०२५ मागणी सूचना तारीख: १२/०६/२०२५	रु. ८,८९,१३५.८६/- (रुपये आठ लाख एकोणनव्वद हजार एकशे पस्तीस आणि शहाऐंशी पैसे मात्र) ११/०६/२०२५ रोजीस
२	१. सौ. पंचशिला भास्कर म्हस्के (कर्जदार) २. श्री. भास्कर फकीरराव म्हस्के (सह-कर्जदार)	कर्ज खाते क्र. ४५६०४३०००००२६१ कर्जाची रक्कम: रु. ५,००,०००/-	**गहाण ठेवलेली स्थावर मिळकत – परिशिष्टीत मिळकत:** घर क्र. ८-२६-६२, [illegible]	एनपीए ची तारीख: २१-०५-२०२५ मागणी सूचना तारीख: १२/०६/२०२५	रु. ४,७४,७२३.७१/- (रुपये चार लाख चौऱ्याहत्तर हजार सातशे तेवीस आणि एकाहत्तर पैसे मात्र) ११/०६/२०२५ रोजीस

त्यामुळे सदर सूचना ही रकाना क्र. ६ मध्ये दर्शविलेल्या तारखेस संबंधित कर्ज खात्याशी संबंधित देय आढळलेली सदर सूचना प्रसिद्धीपासून **६० दिवसांत** [illegible]

दिनांक : १६-०६-२०२५, ठिकाण : मुंबई सही/- प्राधिकृत अधिकारी, जना स्मॉल फायनान्स बँक लिमिटेड करिता