



*Rooted in  
Tradition.  
Redefining Trends.*

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#### Disclaimer

This document contains statements about expected future events and financials of RSB Retail India Limited ("the Company"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements.

## Rooted in Tradition. Redefining Trends.

Retail in India is more than shops and products. It is about moments, memories, and the way people live. Families do not just buy clothes; they look for pieces that connect them to their roots while fitting the life they live today. This balance between heritage and modernity defines the way people shop, and it is exactly where RSB Retail has made its mark.

While our Company was incorporated in 2008, its journey can be traced back to 1999, when our Promoters, through a partnership firm, opened the first R.S. Brothers store in Koti, Hyderabad, Telangana. The business of the partnership firm, which offered ethnic and casual clothing, was subsequently transferred to our Company in 2008. What began as a single store offering ethnic and casual wear that celebrated India's cultural richness soon evolved into a trusted name for family shopping. As customer preferences and lifestyles evolved, we grew alongside them. In 2010, South India Shopping Mall was launched, bringing traditional attire and contemporary fashion together under one roof, creating a space where every generation could find something that felt made just for them. RSB Retail is not just a store. It is a one-stop destination for sarees, ethnic wear, formal wear, office wear, festive collections, trendy casuals, and vibrant kids' fashion. From everyday essentials to grand celebrations, RSB Retail brings style and tradition together for every occasion, helping families celebrate, explore, and express themselves.



This is why our theme, Rooted in Tradition, Redefining Trends, captures the essence of who we are. It reflects how we honour our heritage while continuously evolving to meet the aspirations of modern India. It is the story of every family that walks through our doors and the promise we deliver every day.



For more information related to investors, please scan the QR code or click on the link below  
<https://rsbretail.com/investor-relations/financial-reporting/annual-reports/>

# A Home for Every Style.

Fashion is both intimate and collective. It ties us to our roots, our communities, and the values that shaped us, while also giving us the freedom to express individuality, confidence, and the futures we imagine for ourselves.



At RSB Retail, we celebrate this duality. Our collections honour Indian heritage, while embracing the pulse of global fashion. Under one roof, a saree, a kurta, or a lehenga sits comfortably alongside contemporary wear, fusion wear, and everyday fashion. This blend ensures every customer feels their personality and their culture are equally at home.

We do more than follow trends. We draw inspiration from tradition, reimagine it for today, and shape designs that set the tone for tomorrow. In this way, heritage remains alive and meaningful, even as modern styles and fresh ideas continue to redefine how people dress.

For families who doorstep into our stores, the experience goes beyond shopping. It is about discovering wardrobes that speak to every generation, every mood, and every occasion. It is about seeing themselves reflected in many ways, rooted in tradition, yet open to change.

**RSB Retail is a home for every style, a place where culture and fashion grow together, and where each customer discovers something that truly belongs to them.**



# Shaping the Future of Fashion in South India.

The Indian apparel and lifestyle sector is at a turning point. As customers move from unorganised markets to organised retail, the demand for quality, convenience, and trusted brands is stronger than ever. Women's Indian wear, in particular, is set to grow, and this shift opens new opportunities across South India.



RSB Retail is closely aligned with this transformation. For us, fashion is about balance, honouring the elegance of traditional sarees and lehengas while embracing the freshness of Indo-Western and contemporary styles. By curating collections that reflect the diverse lifestyles of South Indian families, we ensure every shopper finds something that feels familiar yet exciting.

Our formats are designed to meet aspirations across the spectrum. In cities, we cater to customers seeking variety and trend-led fashion. In Tier II, III, and IV cities, we provide value-led offerings that welcome first-time brand buyers and price-conscious young families. This ability to adapt to location and preference is a core strength.

**With a growing footprint, an emphasis on private labels, RSB Retail is not just part of the shift to organised retail but is actively shaping the future of fashion in South India.**



*Strengthening Foundations.  
Driving Progress.*

RSB Retail India Limited (referred to as 'RSB Retail', 'We' or 'Our Company') is a multi-format retailer built around the diverse customer segments. Serving premium, mid-premium and value segments, our formats span multi-brand outlets for men, women, and children, exclusive ethnic stores, and hypermarkets. Across these spaces, we bring together everything from ethnic wear, casuals, and formal wear to general merchandise and FMCG. The result is a shopping experience that speaks to every lifestyle and every occasion, while keeping delight at the heart of every purchase.



**Key Numbers (as of March 31, 2025)**

**73**

Stores

**22**

Presence in Cities across India

**3**

Presence in South Indian States

**10,600+**

Committed Employees

**10.5 million+**

Customers Served

**5+**

Awards

**18,54,850**

Sq.ft

Retail Space

**6**

Store Formats

**A+ / Stable**  
(Reaffirmed)

Credit Rating by CRISIL

### Beginning

Our Company was incorporated as 'R S Brothers Retail India Private Limited' at Hyderabad, Andhra Pradesh (currently Telangana) as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation dated March 31, 2008, issued by the Registrar of Companies, Andhra Pradesh and acquired the business of R-9000 Textiles & Garments, pursuant to transfer deed dated May 1, 2008.

### Presence

We have expanded to over 70 stores across Telangana, Andhra Pradesh, and Karnataka. Our six brands cater to diverse customer needs, from the elegance of Kanchipuram Narayani Silks to the convenience of Value Zone Hypermart.

### People

With a team of over 10,600 employees, we prioritise inclusivity and community engagement. A significant portion of our workforce are women, reflecting our focus on diversity and empowerment.

### Philosophy

We believe in blending tradition with modern retail experiences. Guided by integrity, quality, accessibility, and customer satisfaction, we aim to create shopping experiences that delight customers while keeping pace with a rapidly evolving market.

### Strategic Edge

Our strategy focusses on clustered store expansion, placing multiple formats within the same region to maximise operational efficiency, supply chain effectiveness, and brand visibility. This approach allows us to cater to different customer preferences in a single market, driving higher footfall and loyalty.

### Journey Towards Public Listing

In August 2025, our Company filed its Draft Red Herring Prospectus with the Securities and Exchange Board of India (SEBI) for an Initial Public Offering comprising a fresh issue of equity shares aggregating up to Rs. 5,000 million and an offer for sale by the Promoters and Promoter Group shareholders. The proposed listing on the BSE Ltd. and NSE Limited marks a key milestone in RSB Retail's journey of growth and value creation. It reflects our continued commitment to financial strength, transparency, and governance, while enabling us to accelerate expansion, enhance brand visibility, and deliver sustainable value to all stakeholders.

### Our Offerings



Women's Wear



Men's Wear



Kids' Wear



Footwear



Electronics



Kitchenware



Groceries



Home Furnishing

## Store Formats



### R.S. Brothers

R.S. Brothers, our flagship format, was launched in 1999 at Koti, Hyderabad, with a vision to bring together an entire world of apparel for men, women, and children. Over the years, it has grown into a one-stop destination where everyday wear meets festive and wedding collections across styles and price points. Today, the format holds a strong presence in South India, building brand equity through its scale, variety, and accessibility.

**1999**

First Store Launched

**Mid-Premium**

Target Customer Segment



### South India Shopping Mall

South India Shopping Mall, launched in Kothapet, Hyderabad, brings together an extensive range of apparel for men, women, and children, covering everything from everyday wear to festive and wedding attire. Designed as a complete family shopping destination, integrating textiles, garments, and other allied business activities under one roof. With a growing presence across South India, the format has earned trust as a trusted brand known for authenticity, variety, and value.

**2010**

Inception Year

**Mid-Premium**

Target Customer Segment



### Kanchipuram Narayani Silks

Kanchipuram Narayani Silk, launched in Ameerpet, Hyderabad, is an exclusive format dedicated to women's premium ethnic and bridal wear. Its collection spans silk and Kanchipuram sarees, designer and work sarees, bridal sarees, patola, lehengas, ghagras, and wedding gowns. Positioned as a preferred destination, it celebrates authentic craftsmanship, timeless elegance, and the artistry of wedding ensembles.

**2019**

Inception Year

**Premium**

Target Customer Segment



### Dè Royal

Dè Royal, launched in Chandanagar, Hyderabad, is an exclusive men's store format offering a premium range of ethnic and contemporary wear. Its portfolio includes designer suits, sherwanis, kurta-pyjamas, and Indo-Western ensembles tailored for weddings, festive occasions, and formal events. The format is positioned as a destination of choice for discerning men seeking refined elegance and style.

**2022**

Inception Year

**Premium**

Target Customer Segment



### Value Zone

Value Zone, our mega hypermart format launched in Patancheruvu, Hyderabad brings together fast fashion apparel for men, women, and children along with a wide range of everyday essentials. Its product portfolio includes packed groceries, general merchandise, accessories, footwear, and home furnishings, meeting the varied diverse needs of households. Positioned as a value-driven one-stop shopping destination, it blends affordability with convenience for the entire family.

**2023**

Inception Year

**Value Customers**

Target Customer Segment

i.e., Customers seeking value for money



### Private Label Brands

#### Men's Wear

- Adam Parker
- Dè Royal
- Republican
- Temperature

#### Women's Wear

- Prettybe
- Hosh
- Classic Colors
- Diana

#### Kids' Wear

- Sismo
- Brave Kid
- Roadies Boys
- Born Cute
- Cute Colors

### Warehouse Patancheruvu, Hyderabad



# Charting Milestones. Driving Growth.

The journey of RSB Retail has been shaped by vision, resilience, and reinvention. From the opening of our first store in Hyderabad to building a multi-format presence of more than 70 stores across South India, each milestone speaks of our ability to anticipate customer needs, explore new formats, and redefine the family shopping experience.

### Formalising the Business Structure

Incorporated 'R.S. Brothers Retail India Private Limited' and acquired R-9000 Textiles & Garments, professionalising operations and enabling regional expansion.

### Expanding across Southern India

Accelerated expansion into Telangana and Andhra Pradesh, serving urban and semi-urban markets with R.S. Brothers and South India Shopping Mall.

**1999**

### The Rise of R.S. Brothers

Inaugurated our first R.S. Brothers store in Koti, Hyderabad, positioning ourselves as a complete family destination for festive, wedding, and everyday apparel.

**2008**

**2010-2012**

### Redefining Family Shopping

Launched South India Shopping Mall in Kothapet, Hyderabad and Patny Centre, Secunderabad, and entered Vijayawada, Andhra Pradesh, creating complete family shopping destinations.

**2015-2018**

**2019**

### Honouring India's Silk Heritage

Launched Kanchipuram Narayani Silks in Hyderabad, celebrating India's handloom tradition and strengthening our festive and wedding apparel offerings.

**2022**

### Elevating Men's Ethnic Wear

Introduced Dè Royal for sophisticated men's ethnic wear, catering to weddings and celebrations while expanding our occasion-driven portfolio.

**2023**

### Diversifying into Hypermarkets

Launched Value Zone in Patancheruvu, Telangana, entering groceries and household essentials, creating cross-selling synergies with apparel.

**2024**

### Driving Growth through Strategic Acquisitions

Acquired Merit Retail, Siddhi Vinayaka Fashions, and Status Textiles & Garments, enhancing footprint, market share, and supply chain efficiency.

**2025**

### Unifying under a Stronger Identity

Renamed our Company to RSB Retail India Limited, with 73 stores across 22 cities, blending heritage and modernity to remain South India's trusted family shopping destination.

*Creating  
Impact.  
Unlocking  
Potential.*

RSB Retail brings together the best of tradition and modern retail. With a disciplined approach and a customer-first mindset, we have built a multi-format model that scales efficiently, while staying deeply connected to the people we serve. Supported by robust financials and a proven ability to adapt in India's dynamic retail landscape, we present a compelling opportunity for long-term investment.



### Diversified Multi-Format Strength

Our operations span a wide range of formats, including ethnic-focussed outlets, expansive family stores, value-driven hypermarkets, and specialised niche offerings. This diversity allows us to connect with customers across different demographics, income levels, and shopping occasions. By avoiding reliance on any single format or category, we enhance our resilience and remain attuned to evolving customer preferences.

**73** Stores across **22** Cities and **3** States

**1.85** million Sq. ft of Retail Space

### Customer-Centric Product Portfolio

Our portfolio is thoughtfully curated to balance everyday essentials with occasion-focussed purchases. Leadership in sarees and festive wear underscores our cultural relevance, while private labels bring differentiation, affordability, and customer loyalty. By combining traditional categories with contemporary fashion, kids' wear, and accessories, we connect with both heritage-conscious and modern shoppers, reinforcing our position as a true one-stop destination.

**13** Private Label Brands

**7.25%** Revenue Contribution in FY 2024-25 from Private Label Brands

### Market Leadership in South India

Our strongest differentiator lies in our deep cultural connection across South India, particularly in Andhra Pradesh and Telangana. We have become a trusted part of weddings, festivals, and family celebrations, embedding ourselves in the region's social fabric. We offer a distinctive blend of affordability and authenticity, and this enduring trust continues to anchor our leadership in ethnic and festive categories.

**45** Stores in Telangana and **27** in Andhra Pradesh

**17+** Years of Heritage in Ethnic Fashion Retail

### Proven Financial Performance

We continue to deliver consistent financial performance. On the back of our customer growth and the increase in sale of products, supported by an increase in number of stores, our revenue from operations increased at a CAGR of 12.55% from Rs. 21,267.19 million during FY 2022-23 to Rs. 26,939.44 million during FY 2024-25. Our strong revenue growth is complemented by operational discipline and efficient capital allocation.

**12.55%** Revenue CAGR between FY 2022-23 to FY 2024-25

**30.56%** EBITDA CAGR between FY 2022-23 to FY 2024-25

**24.08%** PAT CAGR between FY 2022-23 to FY 2024-25

### Strategic Network and Supply Chain

Our stores are strategically located in metros and fast-growing Tier II and III towns, giving us access to both urban and aspirational consumers. Our in-house logistics fleet ensures cost-efficient and timely delivery across our network. This integrated approach to sourcing and distribution helps us maintain consistent quality and pricing while managing one of the region's largest assortments in ethnic fashion and family retail.

**107** Job Workers      **3,888** Suppliers

### Visionary Leadership and Scalable Model

Our growth is driven by our promoters' deep heritage in ethnic fashion retail and a professional management team with expertise across finance, operations, supply chain, and technology. This blend of vision and modern retail practices keeps us agile and well-governed. With proven formats and a scalable model, we are poised to expand our South India success into Karnataka, Tamil Nadu and Maharashtra.

**9,500+** Employees Delivering Customer-First Service

Expansion Planned into **Karnataka, Tamil Nadu** and **Maharashtra**

*Navigating Markets. Seizing Opportunities.*

India's retail sector is evolving steadily, driven by rising aspirations, enduring cultural traditions, and increasing digital adoption. Apparel and lifestyle retail is becoming more organised, with expanding formats offering consumers greater trust, variety, and value. In this landscape, we operate at the crossroads of tradition and modernity, building relevance across a wide range of consumption occasions.

**Rising Demand in South India and Smaller Cities**

South India represents one of the largest consumption hubs for apparel, with Andhra Pradesh and Telangana together accounting for over 31% of the regional market in FY 2023-24. Growing aspirations in Tier II and Tier III towns are driving further expansion in these markets.

**Our Strategic Response**

Our cluster-based expansion in Andhra Pradesh and Telangana, along with planned entries into Karnataka, Tamil Nadu, and Maharashtra, allows us to diversify while tapping into demand from emerging consumption hubs.

**Growth of Women's Apparel Market**

Women's apparel is a dominant segment, accounting for nearly 40% of South India's apparel market. It is projected to grow from Rs. 687 billion in FY 2023-24 to Rs. 1,265 billion in FY 2028-29 at a CAGR of 13%, led by rising fashion consciousness and festive consumption.

**Our Strategic Response**

We offer a broad range of ethnic and fusion wear, complemented by western apparel in select formats, ensuring relevance for women shoppers across everyday, festive, and aspirational occasions.

**Expansion of Private Labels**

Private labels are gaining traction in Indian retail, driven by the promise of affordability, differentiated design, and higher margins for retailers. Consumers are increasingly open to experimenting with non-national brands that offer both value and style.

**Our Strategic Response**

We operate 13 private-label apparel brands, whose contribution to revenues has grown from 3.75% in FY 2022-23 to 7.25% in FY 2024-25. We intend to expand this portfolio further to improve margins, exclusivity, and customer loyalty.

(Source: Technopak Report)

**Transition to Organised Retail**

The South Indian apparel and lifestyle market is undergoing a structural shift, with organised formats gaining share as consumers increasingly value quality, reliability, and assortment. The organised apparel market in South India accounted for 51.3% of the total apparel market in Fiscal 2024. The organised market expanded at a CAGR of 16.8% from FY 2018-19 to FY 2023-24 reaching a market size of Rs. 884 billion. The market is further projected to expand at a CAGR of 14.7% in the next five-year period to reach Rs. 1,758 billion by FY 2028-29, reflecting a clear movement towards branded and formal retail channels.

**Our Strategic Response**

With our multi-format presence across value outlets, large-format stores, and ethnic showrooms, we are well placed to benefit from this shift, offering trusted shopping experiences and carefully curated assortments.

**Enduring Strength of Ethnic Wear**

Ethnic apparel continues to be an essential category, supported by the cultural significance of sarees, lehengas, and festive wear. The saree market alone is expected to expand at a CAGR of 8.3% between FY 2023-24 and FY 2028-29, with South India contributing nearly half of national saree demand.

**Our Strategic Response**

Sarees, silks, and occasion wear remain at the heart of our portfolio, reinforcing our cultural connection and building lasting brand trust across key South Indian markets.

*Steering  
Legacy.  
Driving  
Growth.*



“

From heritage-driven formats to value-led experiences, RSB Retail is redefining the modern retail journey. FY 2024-25 marked a year of steady expansion, customer-centric innovation, and brand-led growth, anchored in trust, quality, and the spirit of progress.

”

**Dear Stakeholders,**

It gives me immense pride to present RSB Retail's Annual Report, a milestone that reflects how far we have come in our journey of building a trusted, customer-first retail enterprise. The year gone by, FY 2024-25, has been one of momentum and meaningful progress as we strengthened our multi-format presence and deepened our engagement with customers across regions.

**The Retail Sector Landscape**

India's retail industry remains among the most dynamic and fast-growing in the world, driven by favourable demographics, rising disposable incomes, and rapid digital adoption. Organised retail, in particular, has seen accelerated growth as consumers seek not just products but meaningful experiences.

Consumer aspirations are evolving. While traditional ethnic

wear maintains strong demand during festivals and weddings, everyday fashion is increasingly shaped by value-conscious shoppers seeking style at accessible prices. Hyperlocal preferences, seamless omnichannel experiences, and engaging shopping environments are redefining how retailers like us connect with customers and stay relevant.

**Expanding Our Retail Footprint**

Against this backdrop, RSB Retail continued to expand with purpose. During FY 2024-25, we opened 16 new stores across our key markets, further strengthening our regional leadership. Our flagship brands, R.S. Brothers & South India Shopping Mall, continues to be the cornerstone of our identity, synonymous with trust, family-oriented shopping, and an extensive ethnic apparel range.

Value Zone has evolved into a high-footfall destination for family shopping, integrating apparel with groceries, home essentials, and general merchandise. Dè Royal, our men's fashion brand, has carved a niche in premium ethnic and contemporary apparel. Kanchipuram Narayani Silks, known for its exquisite handwoven silk sarees, celebrates the heritage of traditional craftsmanship and caters to discerning festive and wedding buyers. Together, these formats reflect our philosophy of reaching customers through tailored retail experiences across every life moment and price point.

**Customer-Centric Growth**

At the core of our strategy is a focus on the customer.

Leveraging advanced data analytics and CRM, we have strengthened engagement with solo shoppers, couples, and families alike. Loyalty programmes and festival-driven campaigns have nurtured deep emotional connections, with significant number of our customers returning as regular buyers. This trust remains our most valuable asset.

“

**We have also expanded our private-label portfolio, enhancing product differentiation and improving margins. At the same time, investments in multi-channel marketing, spanning digital platforms, traditional media, and celebrity collaborations, have boosted visibility, footfall, and brand recall.**

”

**Looking Ahead**

For FY 2025-26, our focus is on responsible expansion across Andhra Pradesh, Telangana, Karnataka, and Maharashtra. Alongside this geographical growth, we are prioritising

operational efficiencies, cost optimisation, and strategic sourcing to protect profitability. Innovations in store formats, targeted investments in technology, and sharper brand positioning will enable RSB to continue delighting customers while creating value for all stakeholders.

**Closing Note**

FY 2024-25 has been a year of consolidation, innovation, and progress. As we step into the next phase of our journey, I sincerely thank our employees, customers, partners, and shareholders. Together, we are shaping RSB into a trusted, multi-format retail powerhouse that embodies customer-first values, quality, and sustained growth.

Best Regards,

**Potti Venkateswarlu**  
Chairperson and  
Whole-Time Director

*Driving Innovation.  
Upholding Tradition.*



Guided by innovation and operational excellence, we are expanding our presence across South and Western India while strengthening technology, private labels, and efficiency. With a disciplined growth strategy and a focus on customer engagement, we are confident in creating lasting value for all stakeholders.



**Dear Stakeholders,**

I am pleased to share the progress our Company has made over the past three years and the path that lies ahead. FY 2024-25 has been a period of steady growth, careful operational management, and thoughtful expansion, as we strive to continue serving our customers and stakeholders with dedication.

**Strong Financial Performance**

Our performance over the last three fiscals reflects the strength of our business model and disciplined execution. Revenue from operations rose at a healthy CAGR of 12.55%, growing from Rs. 21,267.19 million in FY 2022-23 to Rs. 26,939.44 million in FY 2024-25. More importantly, profitability expanded at an even faster pace, with gross profit expanding at a CAGR of 20.94% and EBITDA at 30.56%. The profit for the year registered a sharp CAGR of 24.08% between FY 2022-23 to FY 2024-25, reaching Rs. 1,044.21 million in FY 2024-25. This was supported by margin expansion, as our

EBITDA margin improved from 10.31% to 13.88% and gross margin from 32.55% to 37.59% during the same period.

Return ratios also strengthened, with RoCE improving to 28.95% in FY 2024-25 from 24.39% in FY 2023-24 and RoE rebounding strongly to 25.83% from 19.24% in previous year. These numbers highlight both operational efficiency and enhanced shareholder value creation. At the same time, we consciously leveraged our balance sheet to fuel growth, with debt-to-equity moving to 2.35x, which we view as a strategic investment in long-term expansion.

**Expansion to Capture Growing Market Potential**

Network expansion remains a key driver of our growth. We follow a disciplined approach to selecting store locations, combining management experience, demographic insights, and local market intelligence to ensure both operational viability and customer convenience. Over the past three fiscal years, we opened 19 new stores under our flagship South India Shopping Mall and R.S. Brothers formats across Andhra Pradesh and Telangana.

Looking ahead, we aim to build on this momentum. Our immediate priority is to strengthen our presence in Tier I and Tier II cities of Andhra Pradesh and Telangana by opening 14 new stores, supported by net proceeds from the IPO Offer. At the same time, we are strategically diversifying beyond Hyderabad, which currently accounts for over half of our revenues, by exploring high-potential cities in neighbouring states. The launch of our first Dè Royal store in Bengaluru marks our entry into Karnataka, and plans are underway for expansions into Maharashtra and Karnataka, with letters of intent already signed for new stores.

This expansion strategy positions us to grow into a regional powerhouse with a balanced footprint across South and Western India, reducing concentration risks while tapping into new demand pools.

**Driving Efficiencies and Scale**

As we expand our network, we remain equally committed to improving operational efficiency and optimising costs. We collaborate closely with suppliers and job workers to strengthen commercial terms and enhance sourcing agility. At the same time, we are deploying technology across the value chain, leveraging AI and machine learning to forecast demand, optimise inventory, and streamline logistics. These initiatives help improve working capital management, boost in-store efficiency, and support sustainable profitability.



**We also aim to harness our scale to broaden product variety, meeting evolving consumer needs while driving margin expansion through economies of scale. By expanding our product basket, we can optimise purchasing, reduce costs, and accelerate sales velocity.**



**Unlocking the Potential of Private Labels**

Private labels continue to be a key focus in our strategy to drive profitability and strengthen brand differentiation. By FY 2024-25, we operate 13 private-label apparel brands, including Adam Parker, Republican, Temperature, SISMO, and Classic Colours.

Their contribution to revenues has nearly doubled over the past three years, rising from 3.75% in FY 2022-23 to 7.25% in FY 2024-25.

We plan to expand our private-label offerings further by introducing new SKUs and, eventually, exploring exclusive store formats dedicated to these brands. This approach is designed to deepen customer loyalty while supporting sustainable margin growth.

**Looking Ahead**

Our journey ahead is guided by two priorities: expansion and efficiency. While we continue accelerating store rollouts across South and Western India, we are also strengthening foundations in technology, processes, and private labels to deliver long-term competitive advantage.

Challenges such as a decline in same-store sales growth in FY 2024-25 remind us of the importance of constant innovation and customer engagement. We see this as an opportunity to sharpen our focus on enriching customer experiences and improving productivity across all stores.

With a strong financial base, a clear growth roadmap, and dedicated teams, I am confident that we are well-positioned to seize new opportunities, reinforce our market presence, and create lasting value for all stakeholders. On behalf of the management, I extend my sincere gratitude to our customers, employees, partners, and shareholders for their trust and support on this journey.

Best Wishes,

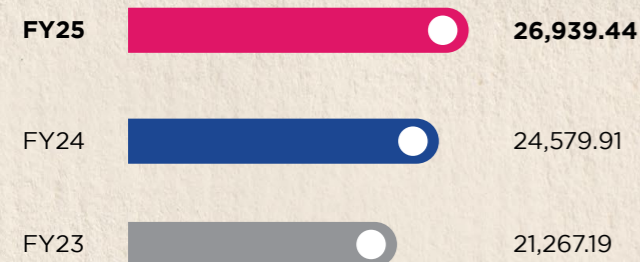
**Seerna Rajamouli**  
Managing Director

*Scaling Performance.  
Strengthening Value.*

Over the years, we have strengthened our presence in the South Indian apparel and lifestyle market through consistent revenue growth, a widening retail footprint, and disciplined operations. Our financial performance mirrors the benefits of network expansion, a balanced multi-format strategy, and improved efficiency from private labels and integrated supply chains. On the operational front, adding new stores and optimising formats has driven growth while ensuring resilience amid shifting demand.

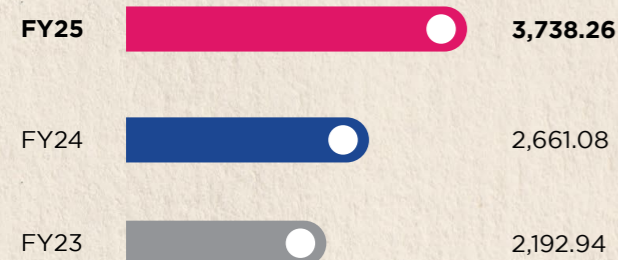
**Financial Highlights**

**Revenue from Operations** (in Rs. million)



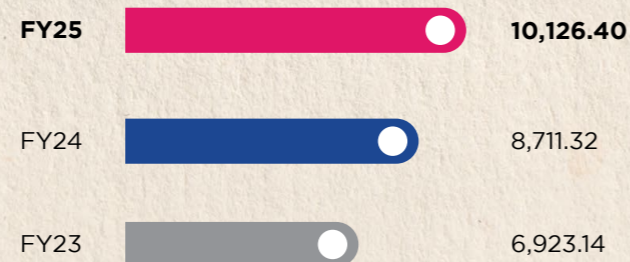
Revenue growth was driven by new store openings, higher same-store sales in existing outlets, and strong traction in ethnic and value formats. Growing demand in Tier II and III markets further supported this growth.

**EBITDA** (in Rs. million)



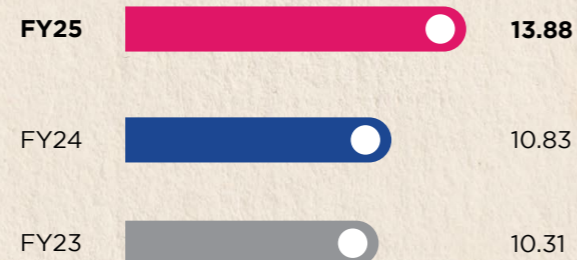
EBITDA improved due to higher operating leverage from our expanded store network, improved sourcing efficiencies, and increasing penetration of private label products.

**Gross Profit** (in Rs. million)



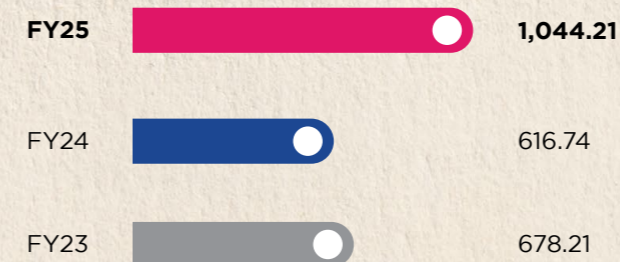
Gross profit increased due to higher sales from store expansion and improved same-store performance. Better product mix and operational efficiencies further supported margin growth.

**EBITDA Margin** (%)



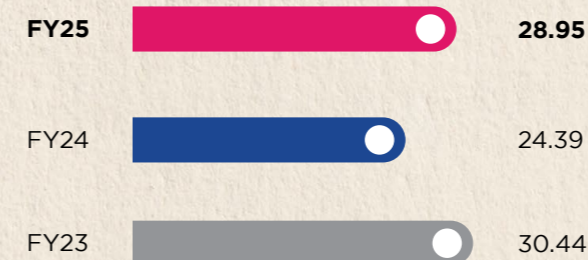
EBITDA margin improved due to higher revenue growth from store expansion, operational efficiencies, and better cost management, which enhanced overall profitability.

**PAT** (in Rs. million)



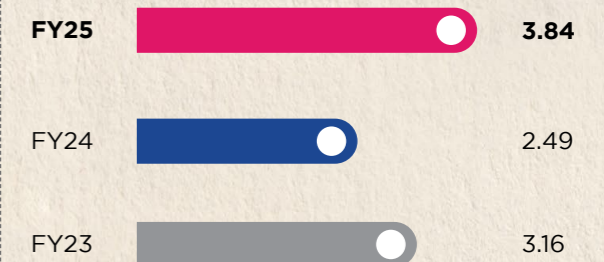
The PAT trajectory reflects our revenue growth and efficiency gains, tempered by higher depreciation and finance costs associated with new store expansion.

**RoCE** (%)



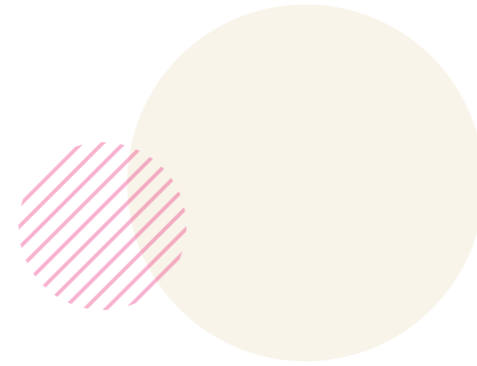
Due to higher profitability from revenue growth and improved operational efficiency, resulting in better returns on capital employed.

**PAT Margin** (%)



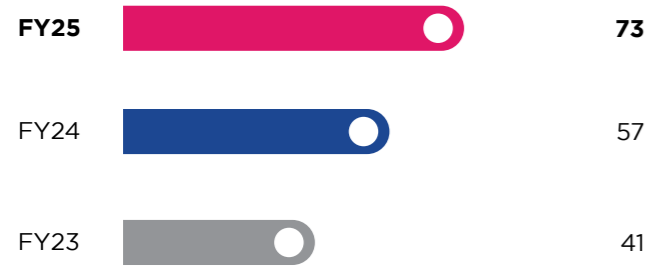
PAT margin improved on the back of higher revenue growth and operational efficiencies, partially offset by increased depreciation and finance costs from new store expansion.

*Scaling  
Performance.  
Strengthening  
Value.*



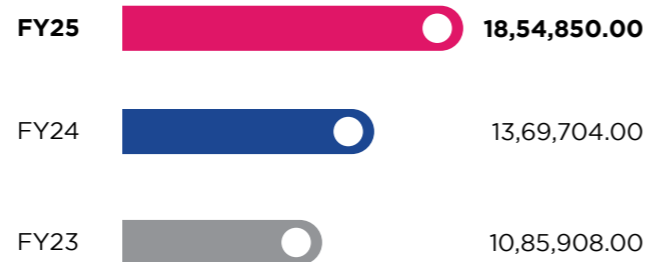
### Operational Highlights

#### Total Stores



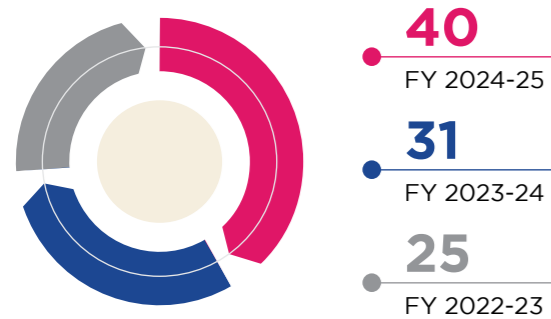
The increase in stores was driven by strategic expansion to meet growing customer demand and strengthen brand presence.

#### Total Store Area (in Sq. ft.)

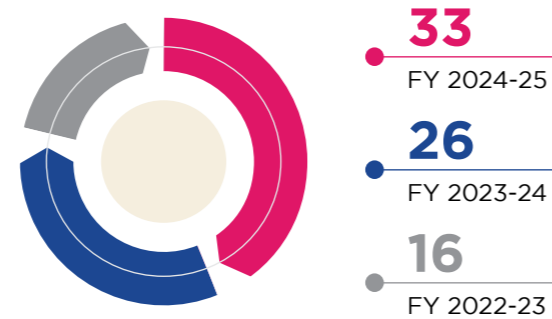


#### Tier-wise Classification of Stores

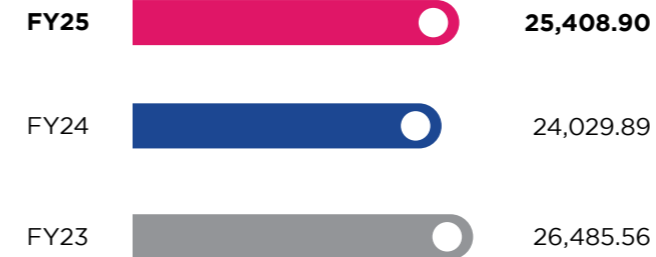
Total Number of Stores in Metro and Tier I Cities



Total Number of Stores in Tier II Cities and Beyond



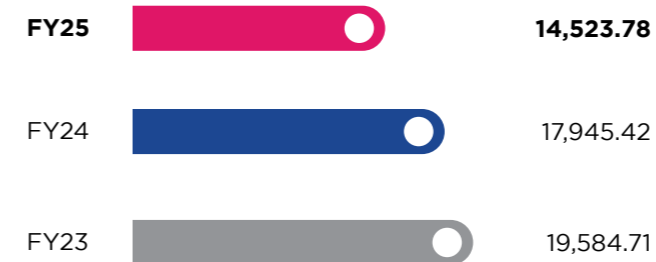
#### Average Store Size across Formats (in Sq. ft.)



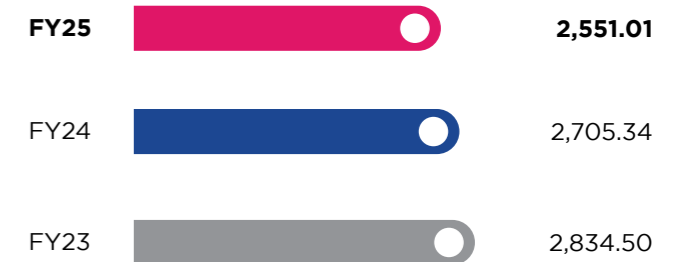
#### Average Revenue per Store (in Rs. million)



#### Average Revenue per Sq. Ft.\* (in Rs.)



#### Average Order Value (in Rs.)



\*Average revenue per square feet across store formats is calculated as total revenue from operations divided by total area in sq. ft. (excluding sub-leased portion).

# Defining Approach. Driving Growth.

Our diversified and scalable retail model brings the cultural and fashion aspirations of South India to life. By combining traditional and contemporary offerings across multiple formats, we deliver value to customers, strengthen loyalty, and create growth opportunities for communities and partners alike.

## Capital

### Financial Capital

## Inputs

- Strong balance sheet and healthy liquidity position.
- Prudent capital allocation focused on growth and efficiency.
- Robust cash flow generation through operational excellence.

## Value Creation Process

### Business Activities

Operates multiple retail formats across South India, catering to diverse customer segments.

Offers a curated portfolio of ethnic wear, casual apparel, general merchandise, and FMCG essentials.

Centralised procurement and supply chain ensure operational efficiency and scalability.



Our expansion strategy focuses on company-owned stores, facilitating direct control over operations and customer experience.

Drives customer engagement via loyalty programmes, promotions, and omnichannel experiences.

## Outcomes



- Sustainable and profitable growth.
- Healthy returns to investors.
- Prudent balance sheet management enabling long-term value.



- Expanded store footprint and enhanced customer access.
- Operational efficiency through optimised logistics and supply chain infrastructure.



- Increased customer stickiness through private label brands and curated assortments.
- Agility in responding to fashion trends and customer preferences.



- Robust workforce driving excellence.
- Increased retention rate.
- Safe, inclusive, and open work environment.
- Diverse and committed workforce.



- Strengthened partnerships with supplier communities.
- Enhanced customer loyalty through value-driven propositions and affordability.
- Support for local economies by sourcing and employing locally.

## KPIs

**12.55%**  
Revenue CAGR FY 2023-25

**13.88%**  
EBITDA Margin

**28.95%**  
Return on Capital Employed (RoCE)

**10.56 million**  
Number of Bills

**73**  
Total Number of Stores

**33**  
Stores in Tier II Cities and Beyond

**-1.85 million Sq.ft**  
Store Area

**7.25%**  
Contribution of Private Brand to Sales

**13**  
Private Brand Portfolio

**10,500+**  
Total Number of Employees

**Rs. 52.30 million**  
Expenses for Promotion of Education and Social Welfare and Donations

## Outputs



Our stores provide quality fashion and daily essentials to millions of households across South India.

We ensure a consistent and high-quality customer experience, reinforcing brand trust and recognition.

Our operations generate employment across retail outlets, warehouses, and the broader vendor ecosystem, contributing to local economies.

We deliver economic value to suppliers, and partners, ensuring sustainable business growth.

Our presence in Tier II and III towns supports inclusive growth by offering access to quality products and services in underserved regions.

*Devising  
Strategies.  
Creating  
Value.*

We are driving a focussed growth agenda that centres on expanding our footprint, strengthening efficiencies, and sharpening brand differentiation. Our strategy is designed to tap into the rising demand across South India, improve profitability through scale and operational discipline, and unlock greater value from our private label portfolio.

**Growing Market Share and Network through New Store Rollouts**

We are expanding our footprint through a cluster-based rollout strategy in Andhra Pradesh and Telangana, while selectively entering Karnataka, Tamil Nadu, and Maharashtra. This approach allows us to deepen our presence in existing markets, capture demand in Tier II and Tier III towns, and diversify into newer regions.

**Improving Operational Efficiencies and Leverage Driven by Scale**

As our network grows, we are focused on driving efficiencies across sourcing, logistics, and inventory management. Investments in technology and scale-driven advantages enhance merchandise availability, improve supplier terms, and deliver stronger operating leverage, supporting sustainable profitability.

**Exploring Further Upside Opportunities for Our Private Label Brands**

Our private label portfolio is a key lever for differentiation and margin expansion. We intend to increase their share in our product mix, broaden assortments across categories, and strengthen visibility in stores, thereby enhancing affordability, exclusivity, and customer loyalty.

**Enhancing Customer Experience and Brand Engagement**

We are committed to strengthening our connection with customers by focusing on assisted service, festive-led merchandising, and store-level engagement. These initiatives not only enhance shopping experiences but also reinforce our positioning as a trusted and culturally relevant brand.

*Delivering  
Quality.  
Inspiring  
Confidence.*

Maintaining the highest standards of quality and safety is at the core of our operations. Across all product categories, including apparel, general merchandise, and fast-moving consumer goods (FMCG), we follow a structured and systematic approach to ensure excellence, uphold consumer trust, and meet regulatory requirements.

**Apparel**

Our approach to apparel quality begins at the point of procurement. We source manufactured goods from trusted suppliers and job workers, conducting thorough quality inspections upon receipt at our warehouses. Products are assessed for material quality, durability, colourfastness, and overall finish. Where we directly procure raw materials, pre-manufacturing checks are also conducted to ensure standards are met. Customer feedback, including returns and defect reports, is continuously monitored, supporting corrective actions and ongoing improvement in line with our quality objectives.



**General Merchandise and FMCG**

In the FMCG segment, we engage vendors who strictly comply with food safety regulations, hygiene protocols, and shelf-life requirements. Batch testing and careful monitoring of storage conditions and expiry dates prevent distribution of compromised goods. Packaging and labelling are designed to meet regulatory requirements, offering accurate ingredient lists, nutritional information, and clear manufacturing details. Tamper-proof packaging and transparent expiry labelling further strengthen consumer confidence and safety.



**System Enforcement and Monitoring**

A centralised Enterprise Resource Planning (ERP) system underpins our quality and operational control. Through this system, pricing, inventory, and quality parameters are continuously monitored. Automated alerts identify deviations, enabling prompt corrective actions. Real-time dashboards provide management with live updates on pricing trends, stock levels, and quality assurance reports, facilitating informed decision-making and process optimisation.

**Reporting and Compliance**

Audits, including Internal, Statutory and Secretarial are in place to ensure zero non-compliance and robust system management. Monthly sales and quality reports provide senior management with a comprehensive view of operational performance, while internal audits are conducted whenever non-compliance is detected to ensure corrective measures are implemented efficiently. This framework of checks, monitoring, and reporting reinforces our commitment to excellence and customer satisfaction.



# Connecting Markets. Building Loyalty.

Our sales and marketing efforts focus on building meaningful connections with customers, strengthening brand loyalty, and supporting long-term growth. Through a balance of competitive pricing, creative promotions, and well-targeted campaigns, we ensure our offerings stay accessible, engaging, and relevant to a wide and diverse audience.

## Pricing of Products

We follow a disciplined approach to inventory and pricing, ensuring that our products combine quality with affordability. By keeping a close watch on market trends, customer preferences, and category-specific features, we make timely pricing adjustments that help us stay competitive. This balance allows us to deliver value to our customers while fostering satisfaction and loyalty that lasts.



## Business Promotion and Advertisement

Our marketing initiatives are designed to draw customers into our stores, strengthen brand recall, and build lasting connections. Each new store launch is supported by dynamic campaigns that blend digital outreach, in-store promotions, and strategic partnerships, ensuring a consistent brand experience across every touchpoint. Campaigns are currently run in English and Telugu, and as we expand into new markets, local languages will be added to deepen engagement and extend our reach.

## Brand Ambassadors and Promotions

We engage brand ambassadors selectively to boost visibility and deepen customer connection during high-impact business periods. Alongside, we run periodic and seasonal price promotions, including festive offers such as the 'Super Aashadam kg sale' during the monsoon season and tailored wedding campaigns. From time to time, private label products are also launched at attractive prices to encourage trials and spark customer interest.

## Rewards Programmes

Our rewards programmes are customised for specific store formats (excluding Value Zone and Status), allowing registered members to earn points that can be redeemed on future purchases. These initiatives not only encourage repeat visits but also deepen customer loyalty across our retail network.

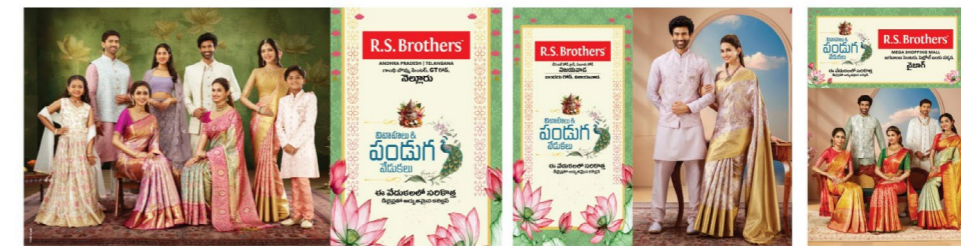
By blending smart pricing, engaging promotions, and customer-focused marketing, we continue to strengthen our brand presence, attract new audiences, and nurture lasting relationships across every segment of our business.

## Our Marketing Campaigns



40x25 Guntur RS.pdf

50x25 Nellore RS.pdf



30x15 Nellore RS.pdf

35x30 vijayawada RS.pdf

20x30 Vizag RS.pdf



20x15 guntur RS.pdf

20x20 & 25x25 RS Guntur.pdf

# Nurturing Skills. Strengthening Performance.

In every branch, at every counter, and in every service interaction, it is our people who make the real difference. Their energy, discipline, and commitment drive not only our operations but also the experience our customers take back with them. We believe true performance does not rest on processes alone. It comes from people who are trained, supported, engaged, and inspired to give their best every day.

## Training and Development

We believe in continuously strengthening the capabilities of our retail teams. Our dedicated in-house trainer visits every branch to conduct structured programmes covering sales effectiveness, customer service, and overall employee development. These sessions are designed to equip frontline executives with practical skills to improve sales conversion, enhance customer interactions, and deliver consistent service quality. The in-house model ensures contextualised learning aligned to our business needs, while also fostering a culture of discipline and professionalism across stores.

## Stakeholder Engagement

Our long-term success is intrinsically linked to the strength and transparency of our relationships across our entire ecosystem. We maintain continuous, two-way dialogue with our key stakeholders: engaging customers through our frontline teams and digital channels to refine our offerings; fostering ethical, long-term supplier partnerships to ensure consistent quality and dependable supply; engaging our employees through a supportive culture that prioritises development and well-being; and supporting the communities in which we operate through local hiring and social investment. This proactive engagement ensures our business remains sustainable, responsible, and continually aligned with the value expectations of our investors.



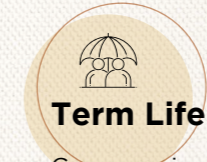
## Employee Health, Safety, and Well-being

Employee well-being is central to our HR philosophy. Periodic health camps are organised in collaboration with ESIC, providing medical check-ups and preventive care for employees at every branch. In addition to this, we offer comprehensive insurance coverage:



### Accident Insurance

Every employee is covered from their date of joining.



### Term Life Insurance

Coverage is provided from the first month of employment, ensuring financial security in unforeseen circumstances.



### Medical Insurance

A corporate Medclaim facility is available, covering those not under ESIC, ensuring no employee is left without medical protection.

Women employees also benefit from maternity leave provisions and a safe, supportive work environment, factors that contribute significantly to long-term association with the organisation.

## Employee Engagement and Culture

Creating a vibrant workplace culture is a priority. For over 15 years, we have consistently organised events that foster camaraderie and employee bonding. These include:

### RSB Premier League

An annual cricket tournament held every February.



### National Days

Independence Day and Republic Day are observed with flag hoisting ceremonies at every store.



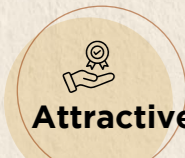
### Festival Celebrations

Ganesh Chaturthi, Durga Puja, Diwali, and Women's Day are celebrated with enthusiasm across branches.

## Recruitment, Onboarding, and Retention

Branch managers play a direct role in recruiting customer-facing executives, ensuring candidates are aligned with operational requirements. Once selected, onboarding and formalities are coordinated centrally by the HR department.

Retention levels remain healthy due to a combination of factors:



### Attractive Incentives

that reward sales performance.



### Comprehensive Insurance Benefits

that go beyond industry standards.



### Supportive Environment

that promotes loyalty, particularly among women employees who value safety and long-term growth opportunities.

## Career Development and Internal Mobility

We believe in recognising and rewarding performance through structured career progression. Promotions and role enhancements are assessed annually, providing employees with visible growth opportunities. Several employees have risen from entry-level positions such as helpers or bill writers to managerial roles, reflecting our strong preference for nurturing internal talent. Whenever new branches are opened, employees from existing stores are identified and promoted to take on leadership roles, reinforcing our 'grow from within' approach.

# Stories of Growth and Belonging



**Ajay Kumar Challa**  
Vice President (Human Resources and IT)

“From suggesting biometrics 15 years ago to shaping AI-driven analytics today, every idea I brought forward was heard and embraced. The management’s trust turned suggestions into real change, transforming HR, operations, and technology. Their support made innovation a part of our everyday work. Staying here for over two decades has been a journey of growth, collaboration, and impact.”



**M. Raghavendra Rao**  
Manager

“I have been part of RSB Retail for 12 years, and it has been an incredible journey of growth. When I joined, the store was handling operations manually, and over the years I have witnessed it transform completely, with systems in place that make service faster and more efficient. The management has always supported me, providing guidance, training, and encouragement at every step. I have learned to engage with customers patiently and professionally, and that has helped me grow both personally and professionally. Being here feels like being part of a family that values dedication, learning, and teamwork.”



**S.E. Quadri**  
Assistant Manager

“Working at RSB Retail has been a truly enriching experience. From my early days of on-the-job training to managing peak-season operations, I have learnt a lot about teamwork, customer service, and leadership. The promoters are very down-to-earth, grounded, and approachable, always supporting us and providing the guidance we need to succeed. I feel proud to be part of a team that values skill development and every employee’s contribution.”



**Venkata Ramana**  
Human Resources Manager

“Here, performance is never judged in isolation. If I face a challenge, the management steps in to guide and support me, both professionally and personally. The HR team is approachable, structured, and always ready to resolve issues quickly. It feels reassuring to work in a place where people truly come first.”



**Murali Krishna**  
Operations Manager

“I joined two years ago as the first employee of Value Zone Hypemart, involved right from designing the store layout. The role offers low job risk but high learning exposure. The company believes in promoting from within, turning early roles into long-term growth opportunities. It’s inspiring to see my career evolve while contributing to a store I helped shape from the ground up.”

*Caring  
Today.  
Shaping  
Tomorrow.*

At RSB Retail, we see giving back as a responsibility to the communities around us. Through focussed CSR initiatives, we aim to create a genuine and lasting impact. Promotion of education and social welfare stand at the foundation of our approach, reflecting our commitment to a society that is fairer and more inclusive for all.

**Rs. 52.30 million\***

Expenses Towards Promotion of Education, Social Welfare, and Donations for FY 2024-25

\*Including CSR Spend of Rs. 19.26 million



**Education Initiatives**

We extend support to underprivileged students and orphans by covering their school fees, giving them access to quality education and the confidence to shape a better future. Through R S Brothers Group C S R Foundation, we work to break down barriers to learning and create equal opportunities for every child.

**Healthcare Initiatives**

Our healthcare efforts are centred on enhancing access to medical facilities and preventive care. We have supported hospitals and healthcare programmes by providing essential medical devices, while also extending financial assistance to underprivileged patients so they can receive timely treatment and care. Each of these steps is taken with the goal of strengthening community health and promoting overall well-being.



**Environmental Initiatives**

We place strong emphasis on environmental sustainability. By supporting national initiatives such as the Clean Ganga Fund, we contribute to efforts that protect and restore natural resources, ensuring they are preserved for future generations.



*Building  
Trust.  
Driving  
Progress.*

We are guided by a commitment to transparency, accountability, and creating long-term value for our stakeholders. Our governance framework is strengthened by a diverse Board, experienced leadership, and dedicated committees overseeing strategy, operations, and risk management, ensuring every decision reflects our vision and ethical standards.

**Compliance and Ethical Conduct**

We adhere to all applicable laws and regulations, supported by robust systems for regular monitoring and compliance reporting. Clear codes of conduct and internal policies guide ethical behaviour, prevent insider trading, and uphold responsible business practices throughout the organisation.



**Potti Venkata Sai Abhinay**  
Chief commercial & Operating officer

**Tiruveedhula Rakesh**  
Chief Projects & Information Officer

**Tiruveedhula Keshav Gupta**  
Chief Human Resource Officer

**Seerna Suresh**  
Chief Sales & Marketing Officer

**Seerna Rajamouli**  
Managing Director

**Potti Venkateswarlu**  
Chairperson & Whole-Time Director

**Tiruveedhula Prasada Rao**  
Whole-Time Director

## Board of Directors



**Potti Venkateswarlu** Chairperson & Whole-Time Director

Potti Venkateswarlu is the Chairperson and Whole-Time Director of our Company and has been associated with the organisation since its inception. He brings with him over 30 years of experience in the retail sector. He is instrumental in defining the Company's long-term vision and strategic direction. His responsibilities include leading the Board, ensuring adherence to strong corporate governance practices, driving the overall affairs of the management and engaging with key stakeholders.



**Seerna Rajamouli** Managing Director

Seerna Rajamouli is the Managing Director of our Company and has been associated with the organisation since its inception. He brings over 30 years of experience in the retail sector. He plays a key role in driving the Company's long-term strategy and is responsible for overseeing supply chain operations, enhancing cost efficiency, managing supplier relationships and inventory control, and ensuring adherence to quality and ethical standards across all operations.



**Tiruveedhula Prasada Rao** Whole-Time Director

Tiruveedhula Prasada Rao is the Whole-Time Director of our Company and is associated with our Company since incorporation. He has over 30 years of experience in the retail sector. He is responsible for ensuring effective management oversight and operational continuity in alignment with our Company's corporate goals and regulatory requirements.



**Salil Nair** Non-Executive Independent Director

Salil Nair is the Non-Executive Independent Director of our Company and is associated with our Company since March 19, 2025. He holds a master's degree of science in physics from Meerut University. He has several years of experience in the retail industry. He was earlier the Chief Executive Officer of Shoppers Stop Limited. He served on the boards of Nuance Group (India) Private Limited and Gateway-Multichannel Retail (India) Limited. Currently, he is also the Non-executive Director on the board of Kalyan Jewellers India Limited.



**Jagadeeshwar Munigela** Non-Executive Independent Director

Jagadeeshwar Munigela serves as a Non-Executive Independent Director on our Board, having joined the Company on January 18, 2025. A retired IAS Officer, he holds a Master's degree in Commerce from Kakatiya University, Warangal, where he was awarded three gold medals. He also holds a Bachelor's degree in Law from Osmania University. With over 25 years of distinguished experience in public administration, he has served in several senior capacities with the Government of Telangana, including as Principal Secretary (Revenue & Disaster Management) and Principal Secretary (Department for Women, Children, Disabled and Senior Citizens). He has also held the position of Managing Director at the Andhra Pradesh Beverages Corporation Limited, and previously served as a Director on the Board of Hyderabad Metro Rail Limited.



**Poonam Malakondaiah** Non-Executive Independent Director

Poonam Malakondaiah is the Non-Executive Independent Director of our Company and is associated with our Company since January 18, 2025. She is a Retired IAS Officer and holds a bachelor's degree of Science in Botany from University of Madras, master's of Science in Microbiology from Indian Agricultural Research Institute, New Delhi. She also holds a doctor of philosophy from Sri Venkateswara University, Tirupati. She has over 35 years of experience in public administration. Prior to joining our Company, she served as the Special Chief Secretary to Government of Andhra Pradesh, Agriculture and Co-operation department and Special Chief Secretary to Government of Andhra Pradesh, Animal Husbandry, Dairy Development and Fisheries Department. She also served as the Special Chief Secretary to the Chief Minister of Andhra Pradesh, a role she assumed in November 2022.



**Thouta Srinivas** Non-Executive Independent Director

Thouta Srinivas is the Non-Executive Independent Director of our Company and is associated with our Company since March 19, 2025. He holds a bachelor's degree in Electrical Engineering from Osmania University. He has over 44 years of experience in power distribution sector. Prior to joining our Company, he served as Director and Chief Financial Officer of Southern Power Distribution Company of Telangana Limited, Hyderabad. Over the course of his career, he held various key positions including Chief General Manager, Superintendent Engineer, Divisional Engineer and Assistant Divisional Engineer at Central Power Distribution Company of Andhra Pradesh Limited.

## Key Managerial Personnel and Senior Management



**Potti Venkata Sai Abhinay** Chief Commercial & Operating Officer

Potti Venkata Sai Abhinay is the Chief Commercial and Operating Officer of our Company since March 19, 2025. He joined our Company as a Manager on July 01, 2016. He completed Integrated Professional Competence Examination conducted by the Institute of Chartered Accountants of India. He has over 8.5 years of experience in commercial operations, business strategy, procurement, supply chain management, and process optimisation. In our Company, he is responsible for executing the commercial and operational strategy.



**Seerna Suresh** Chief Sales & Marketing Officer

Seerna Suresh is the Chief Sales and Marketing Officer of our Company since March 19, 2025. He joined our Company as a Manager on January 01, 2012. He holds a Postgraduate Diploma in International Business Studies from Coventry University. He has over 13 years of experience in sales, marketing, distribution for the clothing division, and store operations. In our Company, he is responsible for overseeing sales strategy, marketing initiatives, brand development, and customer engagement.



**Tiruveedhula Rakesh** Chief Projects & Information Officer

Tiruveedhula Rakesh is the Chief Projects and Information Officer of our Company since March 19, 2025. He joined our Company as Executive Director on July 02, 2018. He holds a Master of Business Administration degree in Marketing from the University of Aberdeen. He has over 13 years of experience in project management, technology integration, business expansion for stores and operations in the jewellery industry. In our Company, he is responsible for key strategic and operational functions, including project planning and execution, IT infrastructure development, digital transformation, and overseeing major store expansion initiatives.



**Tiruveedhula Keshav Gupta** Chief Human Resource Officer

Tiruveedhula Keshav Gupta is the Chief Human Resource Officer of our Company since March 19, 2025. He joined our Company as a Manager on March 01, 2013. He holds a bachelor's degree in Commerce from Osmania University. He has over 12 years of experience in the strategic and operational human resources functions. In our Company, he is responsible for strategic and operational human resource functions and monitors day-to-day operations at the store level functions and purchases with respect to the ladies department, ensuring appropriate assortment, stock availability, and coordination with merchandising teams.



**R Gowrisankar** Chief Financial Officer

R Gowrisankar is the Chief Financial Officer of our Company since June 26, 2025. He holds a bachelor's degree in commerce from Bharathidasan University and master's in commerce from Alagappa University. He is a fellow member of the Institute of Chartered Accountants of India. He has over 22 years of professional experience and has previously been associated with the Eye Foundation Limited, Sahyadri Hospitals Private Limited, Rainbow Children's Medicare Limited, Yashoda Healthcare Services Private Limited, Yashomati Hospitals Private Limited, Takshasila Healthcare and Research Service Private Limited, Manipal Health Enterprises Private Limited, Vanpic Ports Private Limited, MNE Technologies Private Limited and Apollo Hospitals.



**T S Maharani** Company Secretary & Compliance Officer

T S Maharani is the Company Secretary and Compliance Officer of our Company since October 04, 2024. She is a member of the Institute of Company Secretaries of India. She holds Post Graduate qualifications in Master of Laws and Master of Commerce from Osmania University, Diploma in Business Administration from Symbiosis Centre for Distance Learning. She is also pursuing a Doctorate in Law from GITAM University, Visakhapatnam. She has a working experience of more than two decades as Company Secretary in listed entities. She was previously associated with Allcargo Gati Limited (Formerly known as Gati Limited). Currently she is responsible for managing the legal and compliance segment of our Company.

### Board Committees

The Board has established the following committees to ensure oversight and decision-making:

#### Audit Committee

Oversees financial reporting, internal controls, risk management, and statutory compliance with diligence and passion.

#### Nomination and Remuneration Committee

Guides Board appointments, succession planning, and compensation strategies to align with long-term value creation.

#### Stakeholders' Relationship Committee

Addresses shareholder and investor concerns promptly, ensuring clear communication and timely resolution.

#### Corporate Social Responsibility (CSR) Committee

Shapes and monitors CSR initiatives with purpose, driving meaningful social impact across the communities we serve.

#### Risk Management Committee

Review, evaluate, and mitigate risks that could impact our organisational goals. It establishes risk management structures and monitors their efficiency, initiating corrective measures when necessary.

# Recognising Achievements Upholding Excellence.

Our commitment to excellence and to earning our customers' trust has been recognised time and again. Awards and accolades celebrate not only our leadership in ethnic and family fashion but also the strong bonds we have built with South Indian communities. These recognitions are a reminder of why millions of customers continue to rely on us.

## 2017

- ◆ Retail Leader of the Year presented in Business Leader Awards from TV 5 News
- ◆ Certified as Authorised Premium Reseller by Aditya Birla Fashion and Retail
- ◆ Runner-up for South India in Best Retailer Category from Indian Terrain Fashions Limited
- ◆ Legend Award 2017 for achieving a legendary status in the area of textile and readymade for men in the state of Telangana from Kohinoor Fabrics Pro Lifestyle Group
- ◆ Highest growing store-South by Raymond

## 2018

- ◆ 1<sup>st</sup> best Dealer Award for South India Shopping Mall from Gokul Coats India Private Limited
- ◆ Certificate of Merit from Raymond for an Excellent Sales Performance during 2015, 2016, 2017

## 2019

Star of the Industry Award from Indian Premier Fashions at India Expo Centre, Noida

## 2021

Best Family Shopping Mall-Clothing Award for South India Shopping Mall at Times Business Awards

## 2022

- ◆ Certificate of Appreciation for meritorious performance in the territory of Telangana from Navsari Cotton Mills
- ◆ Best SIS of the Year 2022 from Rare Rabbit

## 2023

- ◆ Best Family Shopping Mall-Clothing and Jewellery Award for South India Shopping Mall at Times Business Awards
- ◆ Best Business Partner in the category of Retail EMI Card by Bajaj Finserv
- ◆ Certificate of appreciation from Raymond for an Excellent Sales Performance during 2018, 2019, 2021 and 2022

## 2024

Most Popular Shopping Mall-Clothing and Jewellery Award for South India Shopping Mall at Times Business Awards

# Corporate Information

## Board of Directors

**POTTI VENKATESWARLU**  
Chairperson & Whole-Time Director

**SEERNA RAJAMOULI**  
Managing Director

**TIRUVEEDHULA PRASADA RAO**  
Whole-Time Director

**SALIL NAIR**  
Non-Executive Independent Director

**JAGADEESHWAR MUNIGELA**  
Non-Executive Independent Director

**POONAM MALAKONDAIAH**  
Non-Executive Independent Director

**THOUTA SRINIVAS**  
Non-Executive Independent Director

## Key Managerial Personnel and Senior Management

**POTTI VENKATA SAI ABHINAY**  
Chief Commercial & Operating Officer

**SEERNA SURESH**  
Chief Sales & Marketing Officer

**TIRUVEEDHULA RAKESH**  
Chief Projects & Information Officer

**TIRUVEEDHULA KESHAV GUPTA**  
Chief Human Resources Officer

**R GOWRISANKAR**  
Chief Financial Officer

**T S MAHARANI**  
Company Secretary & Compliance Officer

## Registered Office

**RSB RETAIL INDIA LIMITED**  
Door No: 7-2-1740, Opposite to Fire Station Office, Main Road, Sanath Nagar, Hyderabad - 500 018, Telangana, India  
Tel: 040 6742 9915  
Website: www.rsbretil.com

## Registrar & Transfer Agents

**KFIN TECHNOLOGIES LIMITED**  
Selenium Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana, India  
Tel: +91 40 6716 2222  
Email: einward.ris@kfintech.com  
Website: www.kfintech.com





**RSB RETAIL INDIA LIMITED**  
(Formerly, 'R S BROTHERS RETAIL INDIA LIMITED')

**CIN:** U47510TG2008PLC058454

**Registered & Corporate Office:** Door No:7-2-1740, Opposite to Fire Station Office, Main Road, Sanath Nagar, Rangareddi, Hyderabad – 500018, Telangana, India.

**E-mail:** [info@rsbrothers.net](mailto:info@rsbrothers.net) | **Telephone No:** 040-67429915 | **Website:** [www.rsbrothers.net](http://www.rsbrothers.net)

## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth (17<sup>th</sup>) Annual General Meeting (“AGM”) of the members of RSB Retail India Limited (formerly known as 'R S BROTHERS RETAIL INDIA LIMITED') will be held on Tuesday the 30<sup>th</sup> day of September, 2025 at 11.00 A.M. at the registered office of the Company situated at Door no:7-2-1740, opposite to fire station office, main road, Sanath Nagar, Rangareddy, Hyderabad-500018, Telangana, India, to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider, and adopt the audited financial statements of the Company for the financial year ended March 31, 2025, and the reports of the Auditors and Board of Directors thereon.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** the audited financial statements of the Company for the financial year ended March 31, 2025 and the reports of the Auditors' and Board of Directors thereon, as circulated to the members, be and are hereby considered and adopted.”

- To appoint a Director in place of Mr. Potti Venkateswarlu (DIN: 01430443), who retires by rotation and being eligible offers himself for re-appointment**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Section 152 and other applicable provisions of the Companies Act 2013, Mr. Potti Venkateswarlu (DIN: 01430443), who retires by rotation at this meeting be and

is hereby re-appointed as a Director of the Company, liable to retire by rotation.

### SPECIAL BUSINESS:

- To appoint M/s B S S & Associates, Practicing Company Secretaries (Firm Registration No.: 3744) as the Secretarial Auditors of the Company, for a term of five consecutive years, commencing from FY 2025-26 to FY 2029-30.**

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations), 2015, (including any statutory modification(s)/ amendment(s)/ re-enactment(s) thereof, for the time being in force) and basis the recommendation of the Board of Directors of the Company, approval of the members of the Company, be and is hereby accorded for appointment of M/s. B S S & Associates, Practicing Company Secretaries, (Firm Registration No.: 3744) a peer reviewed Company Secretary firm, as the Secretarial Auditors of the Company, for a term of five consecutive financial years commencing from FY 2025-26 to FY 2029-30, at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof as authorised in this regard), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

## AGM NOTICE

**NOTICE (contd.)**

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorised to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution.”

By Order of the Board  
For **RSB Retail India Limited**  
(Formerly known as 'R S BROTHERS RETAIL INDIA LIMITED')

**T S Maharani**  
**Company Secretary and Compliance Officer**  
**M. No.: F8069**

**Place:** Hyderabad  
**Date:** September 8, 2025

**Registered Office Address:**  
Door No: 7-2-1740, Opposite to Fire Station Office,  
Main Road, Sanath Nagar, Rangareddi, Hyderabad – 500018,  
Telangana, India.  
**CIN:** U47510TG2008PLC058454  
**E-Mail:** [cs@rsbretail.com](mailto:cs@rsbretail.com)  
**Website:** [www.rsbretail.com](http://www.rsbretail.com)  
**Telephone No:** 040-67429915

**NOTICE (contd.)**
**NOTES:**

1. An Explanatory statement setting out the material facts concerning the special business to be transacted at the AGM pursuant to Section 102 of the Companies Act, 2013 is attached herewith – Refer **Annexure A**.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a member of the Company.
3. Proxies, in order to be effective, must receive proxy form in the enclosed format – Refer **Annexure B**, at the Registered Office of the Company before the time fixed for the Meeting. A person can act as Proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a Proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a Proxy for any other Member.
4. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
5. Members/Proxies are requested to bring the attendance slip – Refer **Annexure C** duly filled in for attending the Meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013, Register of Contracts or Arrangements in which directors are interested under Section 189 of the Act and a certificate from Secretarial Auditor certifying that ESOP schemes are being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB SE Regulations”) will be available for inspection by the members at the AGM.
7. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 10:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
8. The route map of the AGM venue along with the nearest landmark is attached at the end of the notice – Refer **Annexure D**.
9. Pursuant to the SEBI Circulars on Nomination in Trading and Demat Accounts, the Members holding shares in dematerialised mode are requested to register/ update their nominee details with their Depository Participants.
10. Members seeking any information with regard to the accounts or any other queries may send their request to the Company at [cs@rsbretail.com](mailto:cs@rsbretail.com) at least seven days before the AGM and the same will be replied by the Company suitably.

## Annexure - A

### Explanatory Statement

#### [Pursuant to Section 102(1) of the Companies Act 2013]

The following Explanatory Statement sets out all the material facts relating to the Special business mentioned under Item No. 3 of the accompanying Notice.

#### ITEM NO.3:

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, relevant rules made thereunder and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), every listed Company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

In terms of Regulation 24A of LODR Regulations read with SEBI notification dated December 12, 2024, and other applicable provisions, shareholders' approval is required for appointment of Secretarial Auditors. Further, such Secretarial Auditor must be a peer reviewed Company Secretary from Institute of Company Secretaries of India (ICSI) and should not have incurred any of the disqualifications as specified by SEBI. The maximum tenure of the Secretarial Auditor in case it is a firm shall not be for not more than two (2) terms of five (5) consecutive years.

In light of the aforesaid, the Board of Directors of the Company in its meeting held on June 26, 2025, after considering the experience, market standing, efficiency of the audit teams and independence, has recommended the appointment of M/s. B S S & Associates, Practicing Company Secretaries, as the Secretarial Auditors of the Company for a period of five years, commencing from April 1, 2025 to March 31, 2030.

M/s. B S S & Associates, a leading firm of practicing Company Secretaries with over 15 years of experience in delivering comprehensive professional services across Corporate Laws, SEBI Regulations and FEMA Regulations. Their expertise includes conducting secretarial audits, due diligence audits, compliance audits etc.

M/s. B S S & Associates has given their consent to act as secretarial auditors of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, they have provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.

The proposed remuneration to be paid to M/s. B S S & Associates for secretarial audit services for the financial year ending March 31, 2026, is Rs. 5 lakhs (Rupees five lakhs) plus applicable taxes and out-of-pocket expenses. The proposed fee is exclusive of costs for other permitted services which could be availed by the Company from them.

Besides the secretarial audit services, the Company may also obtain certifications from M/s. B S S & Associates under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors. The remuneration for the subsequent financial years i.e., from FY 2026-27 to FY 2029-30 will also be approved by the Board.

The Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience, independent assessment & expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

The Board of Directors recommends the resolution for approval by the Members, as set out at Item No. 3 of the Notice.

### Annexure - A (Contd.)

Brief Profile of Director and information required pursuant to Secretarial Standard for General Meetings (SS-2) are given below:

| Name  | Mr. Potti Venkateswarlu   |
|---|---|
| DIN   | 01430443  |
| Date of Birth (Age in Years)  | April 8, 1958 (66 Years)  |
| Date of First Appointment to the Board  | March 31, 2008  |
| Brief Resume, Qualification, Nature of Expertise and skill set require in specific functional areas:                                | Potti Venkateswarlu is the Chairperson and Whole-Time Director of our Company and is associated with our Company since incorporation. He completed his matriculation from Taluk Junior College, Tenali. He has over 30 years of experience in the retail sector. He is responsible for setting our Company's long-term vision, providing overall strategic direction, ensuring adherence to sound corporate governance practices, driving the overall affairs of the management, leading the Board and engaging with key stakeholders.  |
| Shareholding (as on the date of this Notice) in the Company either directly or in form of beneficial interest for any other person: | 2,55,46,500 Equity Shares (9% of the total shareholding).   |
| Relationship with other Directors & KMP's   | Mr. Potti Venkata Sai Abhinay, Key Managerial Personnel of the Company is the Son of Mr. Potti Venkateswarlu.   |
| No. of Meetings of the Board attended during the year 2024-25.  | 20 Board Meetings attended.   |
| Directorships held in other Companies:  | <ul style="list-style-type: none"> <li>• R.S.Brothers Jewellers Private Limited</li> <li>• Siva City Center Private Limited</li> <li>• Vasavi Nirmaan Private Limited</li> <li>• R.S. Avenues Private Limited</li> <li>• Honer Developers Private Limited</li> <li>• Squarespace Infra City Private Limited</li> <li>• P Venkateswarlu Private Limited</li> <li>• Hilland Petra Rocks Private Limited</li> <li>• Honer Hotels and Resorts Private Limited</li> <li>• Honer Townships Private Limited</li> <li>• Gopanpally Township Private Limited</li> <li>• Honer Malls and Multiplexes Private Limited</li> <li>• Honer Green Homes Private Limited</li> <li>• Honer Constructions Private Limited</li> </ul> |
| Listed entities from which the person has resigned from the directorship in the past three years:                                   | Nil   |

**Annexure - A (Contd.)**

|  |   |
|--|---|
| Membership/ Chairmanship of Committees of other companies (Excluding the RSB Retail India Limited) | Nil   |
| Terms and conditions of appointment/ re-appointment and Remuneration sought to be paid/last drawn: | <p><b>Terms and conditions of appointment:</b> Director liable to retire by rotation and same as approved in EGM dated March 21, 2025.</p> <p><b>Remuneration sought to be paid:</b> As detailed in EGM resolution dated March 21, 2025.</p> <p><b>Remuneration last drawn:</b> Mr. Potti Venkateswarlu voluntarily waived his remuneration for FY 2024-25, which was taken on record by our Board through a resolution dated January 18, 2025.</p> |

By Order of the Board  
 For **RSB Retail India Limited**  
 (Formerly known as 'R S BROTHERS RETAIL INDIA LIMITED')

**T S Maharani**  
**Company Secretary and Compliance Officer**  
**M. No.: F8069**

**Place:** Hyderabad  
**Date:** September 8, 2025

**Registered Office Address:**  
 Door No: 7-2-1740, Opposite to Fire Station Office,  
 Main Road, Sanath Nagar, Rangareddi, Hyderabad - 500018,  
 Telangana, India.  
**CIN:** U47510TG2008PLC058454  
**E-Mail:** [cs@rsbretail.com](mailto:cs@rsbretail.com)  
**Website:** [www.rsbretail.com](http://www.rsbretail.com)  
**Telephone No:** 040-67429915

**Annexure - B**

**FORM NO. MGT 11  
 PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

|                      |  |
|----------------------|--|
| CIN                  | U47510TG2008PLC058454  |
| Name of the Company: | <b>RSB RETAIL INDIA LIMITED</b><br>(Formerly known as 'R S BROTHERS RETAIL INDIA LIMITED')                         |
| Registered office:   | Door No: 7-2-1740, Opposite to Fire Station Office, Main Road, Sanath Nagar, Hyderabad - 500018, Telangana, India. |

**Name of the Member(s):**  
**Registered Address:**  
**Email Id:**  
**Folio No./ Client ID:**  
**DP ID:**

I/We, being the member (s) of.....shares of the above named company, hereby appoint

|    |            |  |
|----|------------|--|
| 1. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

Or failing him

|    |            |  |
|----|------------|--|
| 2. | Name:      |  |
|    | Address:   |  |
|    | E-mail Id: |  |
|    | Signature: |  |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventeenth (17<sup>th</sup>) Annual General Meeting of the Company to be held on Tuesday, the 30<sup>th</sup> day of September, 2025 at 11.00 a.m. at the Registered Office of the Company situated at Door No:7-2-1740, Opposite to Fire Station Office, Main Road, Sanath Nagar, Hyderabad - 500018, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolutions**

| S. no                    | Resolutions  | (Please Tick [✓ or X] against the box) |
|--------------------------|--|--|
| <b>Ordinary Business</b> |  |  |
| 1.                       | Adoption of Financial Statements of the Company for the financial year ended March 31, 2025, and the reports of the Auditors and Board of Directors thereon. |  |
| 2.                       | Appointment of a Director in place of Mr. Potti Venkateswarlu (DIN: 01430443), who retires by rotation and being eligible offers himself for re-appointment. |  |
| <b>Special Business</b>  |  |  |
| 3.                       | Appointment of M/s B S S & Associates, Practicing Company Secretaries (Firm Registration No.: 3744) as the Secretarial Auditors of the Company.              |  |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

Affix Revenue Stamp

## Annexure - C

### ATTENDANCE SLIP

To be presented at the entrance

Seventeenth (17<sup>th</sup>) Annual General Meeting of the members of **RSB RETAIL INDIA LIMITED** (Formerly known as 'R S BROTHERS RETAIL INDIA LIMITED') to be held at registered office of the Company situated at Door No: 7-2-1740, Opposite to Fire Station Office, Main Road, Sanath Nagar, Hyderabad - 500018, Telangana, India on Tuesday, the 30<sup>th</sup> day of September, 2025 at 11.00 a.m.

Regd. Folio No. \_\_\_\_\_, No. of shares held: \_\_\_\_\_

Name of the Member: \_\_\_\_\_, Signature: \_\_\_\_\_

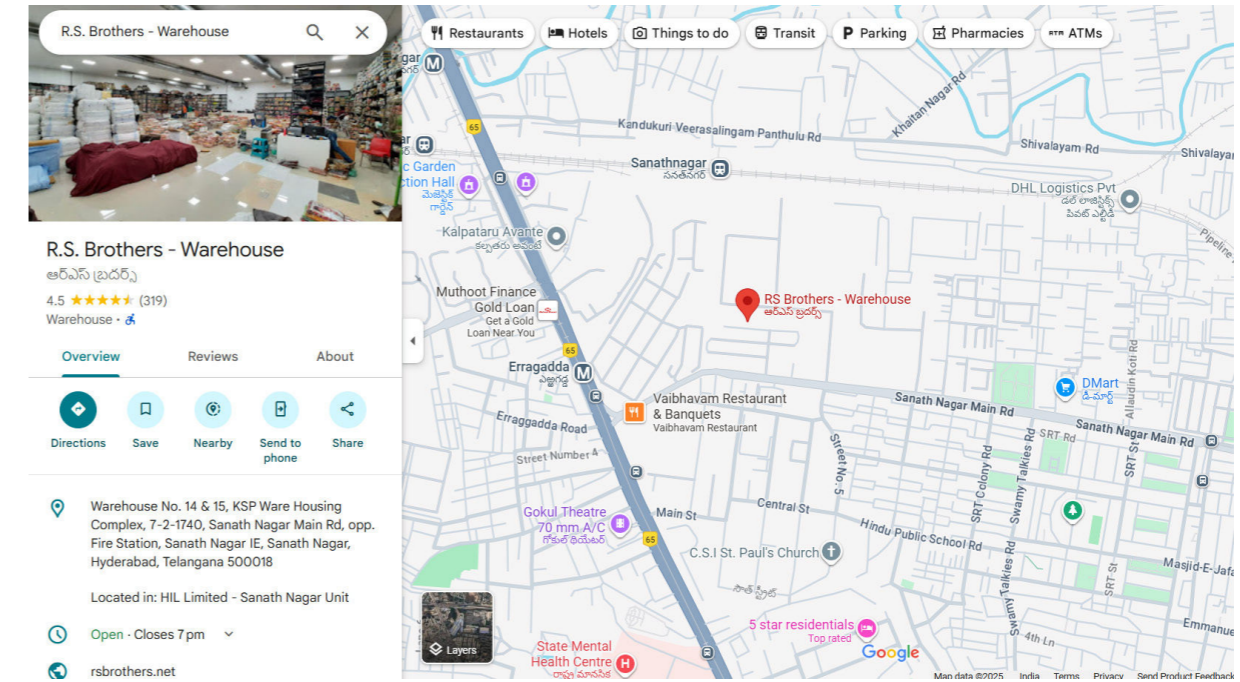
Name of the Proxy holder: \_\_\_\_\_, Signature: \_\_\_\_\_

I hereby record my presence at the Seventeenth Annual General Meeting of the Company held on Tuesday, the 30<sup>th</sup> day of September, 2025 at 11.00 a.m. at the Registered Office of the Company.

1. Only Member / Proxy holder can attend the Meeting.
2. Member / Proxy holder should bring his / her copy of the notice for reference at the Meeting.

## Annexure - D

### ROUTE MAP



Nearest Landmark- Sanath Nagar electricity substation.

## Board's Report

### Dear Members,

Your Directors have pleasure in presenting the 17<sup>th</sup> Annual Report on the business and operations of your Company along with the audited financial statements for the financial year ended March 31, 2025.

### FINANCIAL RESULTS

The Financial performance of your Company for the financial year ended March 31, 2025 is summarised below:

(in Rs. million)

| Particulars  | Year ended<br>March 31, 2025 | Year ended<br>March 31, 2024 |
|--|------------------------------|------------------------------|
| Revenue from operations                                    | 26,939.44                    | 24,579.91                    |
| Other income   | 243.91                       | 211.27                       |
| <b>Total income</b>  | <b>27,183.35</b>             | <b>24,791.18</b>             |
| Total expenses   | 25,584.94                    | 23,792.35                    |
| <b>Profit before exceptional items and tax</b>             | <b>1,598.41</b>              | <b>998.83</b>                |
| Exceptional items- Loss due to fire                        | 93.49                        | -                            |
| <b>Profit after exceptional items and before tax (PBT)</b> | <b>1,504.92</b>              | <b>998.83</b>                |
| Total tax expenses   | 460.71                       | 382.09                       |
| <b>Profit / (Loss) for the year</b>                        | <b>1,044.21</b>              | <b>616.74</b>                |

## BOARD'S REPORT

### 1. STATEMENT OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

#### a. Business Overview:

Your Company is a multi-format retailer catering to diverse customer segments across various income demographics, including premium, mid-premium, and value, as well as different shopping requirements. We operate through several store formats, including multi-brand format outlets for men, women and children; exclusive ethnic format outlets for men and women; and hypermarkets. Our apparel product portfolio includes ethnic wear, everyday casual wear, and formal wear.

#### b. Financial Performance (FY 2024-25):

FY 2024-25 saw the Company post a revenue of Rs. 2,693.94 crore, with a profit after tax of Rs. 104.42 crore, reflecting a healthy increase in revenues & profit in the current financial year over previous financial year.

#### c. Operational Highlights:

During the year under review, your Company has continued to strengthen its retail operations and expand its presence across key markets. During FY 2024-25, your Company opened 16 stores across different formats.

As of March 31, 2025, RSB Retail operated 73 stores across 22 cities in three South Indian states - Telangana, Andhra Pradesh, and Karnataka. It runs multiple stores in brick- and- mortar formats under the brand name of South India Shopping Mall, R.S. Brothers, Kanchipuram Narayani Silks, Dè Royal, and Value Zone Hyper Mart.

#### d. Acquisitions:

On April 01, 2024, your Company acquired the business from the following entities, through a slump sale, as a going concern:

- Merit Retail India Private Limited
- Siddhi Vinayaka Fashions LLP
- Status Textiles and Garments, a partnership firm

The acquisitions were undertaken as part of the Company's strategy to strengthen its retail footprint, achieve operational synergies and enhance its market presence in the apparel and textile segment.

#### e. Fire Incident:

During FY 2024-25, a fire accident occurred at our Srikakulam South India Shopping Mall (SISM) store on January 25, 2025, resulting in the loss of assets with a book value of Rs. 112.62 million. Our Company filed

## Board's Report (Contd.)

an insurance claim for Rs. 120.00 million on account of this fire accident. As of March 31, 2025, we recognized an exceptional loss of Rs. 93.49 million in our books of accounts after taking into account the interim payment of Rs. 19.13 million from the insurance company in May 2025.

### f. Change in corporate status and name:

During the year under review, your Company converted its status from a Private Limited Company to a Public Limited Company, pursuant to approval granted by the Registrar of Companies (ROC) vide Certificate dated October 22, 2024. Consequent to this conversion, the name of the Company was changed from *R S Brothers Retail India Private Limited* to *R S Brothers Retail India Limited*.

Subsequently, the Company further changed its name from *R S Brothers Retail India Limited* to *RSB Retail India Limited*, with effect from February 07, 2025, in accordance with the approval granted by the ROC.

### g. Initial Public Offering (IPO) Filing:

Building on its strong performance, subsequent to the closure of the financial year, your Company reached an important milestone by filing its Draft Red Herring Prospectus (DRHP) with the Securities and Exchange Board of India on August 14, 2025. This filing marks the beginning of an exciting new phase of growth in the Company's journey as it pursues its long-term vision of expansion and value creation.

## 2. FINANCIAL PERFORMANCE

During the year under review, the income of the Company increased to Rs. 27,183.35 million compared to Rs. 24,791.18 million in the previous year, registering a growth of 9.65%. The net profit after tax increased to Rs. 1,044.21 million compared to Rs. 616.74 million in the previous year, representing a growth of 69.31%.

## 3. CHANGE IN NATURE OF BUSINESS

During the year under review, there is no change in nature of business of your Company.

## 4. DIVIDEND

During the Financial Year, your Company has not declared or paid any dividend.

The Dividend Distribution Policy of the Company is available on the Company's website at: <https://rsbretail.com/wp-content/uploads/2025/07/1.-Dividend-Distribution-Policy.pdf>.

## 5. TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the General Reserve of the Company and accordingly, the entire balance available in the Statement of Profit and Loss has been retained therein.

## 6. CHANGES IN SHARE CAPITAL

### (i) Authorised & paid-up share capital:

- During the year under review, pursuant to resolutions passed by the Board and the Shareholders dated January 18, 2025 and January 21, 2025, respectively, the authorised share capital of our Company was increased from Rs. 1,00,00,00,000 (One Hundred Crore) divided into 10,00,00,000 equity shares of face value of Rs. 10 each to Rs. 1,50,00,00,000 (One Hundred Fifty Crore) divided into 15,00,00,000 equity shares of face value of Rs. 10 each.
- Sub-Division:** During the year under review, pursuant to resolutions passed by the Board and the Shareholders of the Company dated February 27, 2025 and March 01, 2025, respectively, the authorised share capital of our Company was sub-divided from Rs. 1,50,00,00,000 (One Hundred Fifty Crore) divided into 15,00,00,000 equity shares of face value of Rs. 10 each to Rs. 1,50,00,00,000 (One Hundred Fifty Crore) divided into 75,00,00,000 Equity Shares of face value of Rs. 2 each. Accordingly, the issued, subscribed and paid-up equity share capital of your Company was sub-divided from Rs. 8,11,00,000 divided into 81,10,000 equity shares of face value of Rs. 10 each to 4,05,50,000 Equity Shares of face value of Rs. 2 each.

## Board's Report (Contd.)

- Bonus Issue:** The Company has allotted 24,33,00,000 Equity Shares having face value of Rs. 2 each as bonus shares on March 04, 2025, in the ratio of 6 Equity Shares of face value of Rs. 2 each for every 1 Equity Share held by our Shareholders as on February 28, 2025 of face value of Rs. 2 each.
- Other disclosures:**
  - Sweat Equity:** The Company has not issued any Sweat Equity Shares during the year under review.
  - Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.
  - Equity Shares with Differential Voting rights:** There was no issue of equity shares with differential voting rights as to dividend, voting or otherwise etc.

## 7. EMPLOYEES STOCK OPTION PLAN/ SCHEME

Subsequent to the year under review, the members of the Company had approved:

- Thank You Employee Stock Option Scheme 2025 ("Thank You ESOP Scheme 2025") by passing a special resolution on June 30, 2025 through which an aggregate of 12,11,600 options have been granted and accordingly no options have been vested or exercised. The Vesting Period for the Options shall be a minimum of one (1) year from the date of listing of the equity shares of the Company on a recognised stock exchange, and shall not exceed two (2) years from the date of such listing. The maximum number of options which may be issued pursuant to the Thank You ESOP Scheme 2025 is 16,00,000 which may result in the issuance of a maximum of 16,00,000 Equity Shares of face value of Rs. 2 each of our Company.
- Employee Stock Option (Growth) Scheme 2025 ("ESOP (Growth) Scheme 2025") by passing a special resolution on June 30, 2025 through which an aggregate of 12,11,600 options have been granted and accordingly no options have been vested

or exercised. The Vesting Period for the Options shall be a minimum of one (1) year from the date of listing of the equity shares of the Company on a recognised stock exchange, and shall not exceed four (4) years from the date of such listing. The maximum number of options which may be issued pursuant to the ESOP (Growth) Scheme 2025 is 21,00,000 which may result in the issuance of a maximum of 21,00,000 Equity Shares of face value of Rs. 2 each of our Company.

Both the schemes are in compliance with Companies Act, 2013 and Securities Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 SEBI (SBEB & SE) Regulations 2021. Disclosures as stipulated under the SEBI (SBEB & SE) Regulations 2021 with regard to the aforesaid schemes is not applicable for FY 2024-25.

## 8. NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES / JOINT VENTURES / ASSOCIATE COMPANIES DURING THE YEAR

The Company does not have any Subsidiary, Joint Venture or Associate Companies. Further, during the year under review, no Company has become or ceased to be the Subsidiaries, Joint Ventures or Associates of the Company.

## 9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

No material changes and commitments, other than disclosed as part of this report, affecting the financial position of the Company have occurred between March 31, 2025 and as on the date of this report.

## 10. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit as prescribed under Chapter V of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

## Board's Report (Contd.)

### 11. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Further, the Report is being sent to the members excluding the aforesaid information, in terms of Section 136 of the Act, any shareholder interested in obtaining a copy thereof may write to the Company Secretary of the Company at [cs@rsbretail.com](mailto:cs@rsbretail.com).

### 12. DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

#### I. Directors & changes during the year:

As on March 31 2025, your Company has 7(seven) Directors out of which 3(three) are Executive Directors of the Company and 4(four) are Non-Executive Independent Director of the Company. During the year under review, the following are the changes in composition of board of directors of the Company:

#### Retirement by rotation and subsequent re-appointment

Mr. Potti Venkateswarlu (DIN: 01430443), Chairperson and Whole-Time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible offers himself for re-appointment. Appropriate resolution for his re-appointment is being placed for the approval of the Members of the Company at this AGM.

A brief profile of Mr. Potti Venkateswarlu and other related information is detailed in

the Notice convening the 17<sup>th</sup> AGM of your Company.

The Board considered the said re-appointment in the interest of the Company and hence recommends the same to the Members for approval.

#### Resignation and Re-designation of Executive Directors

During the year under review, Mr. Potti Venkateswarlu was re-designated as Chairperson and Whole-Time Director, Mr. Seerna Rajamouli was re-designated as Managing Director and Mr. Tiruveedhula Prasada Rao was re-designated as Whole-Time Director of the Company vide Board resolution dated March 19, 2025 and special resolution dated March 21, 2025 through an Extra-Ordinary General Meeting.

Further, Mr. Potti Venkata Sai Abhinay (DIN: 07551825), Mr. Seerna Suresh (DIN: 07552567), Mr. Tiruveedhula Rakesh (DIN: 07551857) and Mr. Tiruveedhula Keshav Gupta (DIN: 07551896) stepped down from the position of executive directors of the Company with effect from March 19, 2025.

#### Appointment of Non-Executive Independent Directors.

- The Members of the Company, at their Extra-Ordinary General Meeting held on January 21, 2025 approved the appointment of Mr. Jagadeeshwar Munigela (DIN: 03407188) and Ms. Poonam Malakondaiah (DIN: 07488397) as Non-Executive Independent Directors of the Company for a term of 5 (five) consecutive years commencing from January 18, 2025, basis on the recommendation of the Board of the Company.
- Further, the Members of the Company, at their Extra-Ordinary General Meeting held on March 21, 2025 approved the appointment of Mr. Thouta Srinivas (DIN: 06666974) and Mr. Salil Nair (DIN: 01955091) as Non-Executive Independent Directors of the Company for a term of 5 (five) consecutive years commencing from March 19, 2025,

## Board's Report (Contd.)

basis on the recommendation of the Nomination and Remuneration Committee and the Board of the Company.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI Listing Regulations. The Independent Directors have affirmed compliance to the Code of Conduct for Independent Directors as prescribed in Schedule IV to the Act.

In the opinion of the Board, Independent Directors fulfil the conditions specified in Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as SEBI Listing Regulations and are independent from Management. The Independent Directors are persons of high repute, integrity and possess the relevant expertise, skills and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) in their respective fields. The Independent Directors have also confirmed that they have registered their names in the Independent Directors' databank with the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

#### II. Key Managerial Personnel (KMP) & Senior Management Personnel (SMP)

In accordance with the provisions of Sections 2(51), 178 & 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company as on March 31, 2025.

- Mr. Potti Venkateswarlu, Chairperson & Whole-time Director.

- Mr. Seerna Rajamouli, Managing Director.
- Mr. Tiruveedhula Prasada Rao, Whole-time Director.
- Mr. Potti Venkata Sai Abhinay<sup>^</sup>, appointed as Chief Commercial and Operating Officer of the Company w.e.f. March 19, 2025.
- Mr. Seerna Suresh<sup>^</sup>, appointed as Chief Sales and Marketing Officer of the Company w.e.f. March 19, 2025.
- Mr. Tiruveedhula Rakesh<sup>^</sup>, appointed as Chief Projects and Information Officer of the Company w.e.f. March 19, 2025.
- Mr. Tiruveedhula Keshav Gupta<sup>^</sup>, appointed as Chief Human Resource Officer of the Company w.e.f. March 19, 2025.
- Ms. T S Maharani<sup>^</sup>, appointed as Company Secretary and Compliance Officer of the Company w.e.f. October 04, 2024.

<sup>^</sup>This individual is also a SMP of the Company.

Subsequent to the year under review, the Board of Directors, on the recommendation of Nomination and Remuneration Committee and Audit Committee, at their meeting held on June 26, 2025 appointed Mr. R Gowrisankar as the Chief Financial Officer (Key Managerial Personnel & Senior Management Personnel) of the Company with effect from June 26, 2025 in accordance with the provisions of Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 13. CONSTITUTION OF BOARD COMMITTEES:

#### A. Audit Committee:

The Audit Committee of the Board was constituted by way of a Board resolution dated March 19, 2025. The Audit Committee is in compliance with section 177 and other applicable provisions of the Companies Act and Regulation 18 of the SEBI Listing Regulations.

## Board's Report (Contd.)

All members of the Committee are financially literate and have accounting or related financial management expertise.

During FY 2024-25, the Audit Committee met once on March 19, 2025.

The composition of the Audit Committee and the attendance details of the members as on March 31, 2025 are given below:-

| Sr. No. | Name of Director      | Committee Designation | No. of meetings attended |
|---------|-----------------------|-----------------------|--------------------------|
| 1.      | Thouta Srinivas       | Chairperson           | 1                        |
| 2.      | Salil Nair            | Member                | 1                        |
| 3.      | Jagadeeshwar Munigela | Member                | 1                        |
| 4.      | Potti Venkateswarlu   | Member                | 1                        |

### B. Nomination and Remuneration Committee:

Your Company has duly constituted Nomination & Remuneration Committee of the Board by way of a Board resolution dated March 19, 2025 and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

During FY 2024-25, the Nomination & Remuneration Committee met once on March 19, 2025.

The composition of the Nomination & Remuneration Committee and the attendance details of the members as on March 31, 2025 are given below:-

| Sr. No. | Name of Director      | Committee Designation | No. of meetings attended |
|---------|-----------------------|-----------------------|--------------------------|
| 1.      | Jagadeeshwar Munigela | Chairperson           | 1                        |
| 2.      | Thouta Srinivas       | Member                | 1                        |
| 3.      | Salil Nair            | Member                | 1                        |
| 4.      | Poonam Malakondaiah   | Member                | 1                        |

### C. Stakeholders Relationship Committee:

Your Company has duly constituted Stakeholders Relationship Committee of the Board by way of a Board resolution dated March 19, 2025 and its composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The composition of the Stakeholders Relationship Committee is given below:-

| Sr. No. | Name of Director         | Committee Designation |
|---------|--------------------------|-----------------------|
| 1.      | Thouta Srinivas          | Chairperson           |
| 2.      | Poonam Malakondaiah      | Member                |
| 3.      | Tiruveedhula Prasada Rao | Member                |

### D. Risk Management Committee:

Your Company has duly constituted Risk Management Committee of the Board by way of a Board resolution dated March 19, 2025 and its composition meets the requirements of Regulation 21 of the SEBI Listing Regulations.

The composition of the Risk Management Committee is given below:-

| Sr. No. | Name of Director      | Committee Designation |
|---------|-----------------------|-----------------------|
| 1.      | Salil Nair            | Chairperson           |
| 2.      | Potti Venkateswarlu   | Member                |
| 3.      | Seerna Rajamouli      | Member                |
| 4.      | Jagadeeshwar Munigela | Member                |

### E. Corporate Social Responsibility Committee:

Your Company has duly re-constituted Corporate Social Responsibility Committee of the Board by way of a Board resolution dated March 19, 2025 and its composition meets the requirements of Section 135 of the Companies Act, 2013.

During FY 2024-25, the Corporate Social Responsibility Committee met once on August 16, 2024.

## Board's Report (Contd.)

The composition of the Corporate Social Responsibility Committee and the attendance details of the members as on March 31, 2025 are given below:-

| Sr. No. | Name of Director         | Committee Designation | No. of meetings attended |
|---------|--------------------------|-----------------------|--------------------------|
| 1.      | Poonam Malakondaiah      | Chairperson           | NA                       |
| 2.      | Seerna Rajamouli         | Member                | 1                        |
| 3.      | Tiruveedhula Prasada Rao | Member                | 1                        |

### 14. NOMINATION AND REMUNERATION POLICY

In compliance with the provisions of Section 178 of the Companies Act, 2013, the Board has, on the recommendation of the Nomination & Remuneration Committee of the Company, framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP), Senior Management and their remuneration.

The salient features of the Policy are:

- It lays down the criteria for determining qualifications, competencies, positive attributes and independence for

- appointment of a director (Executive/ Non-Executive/ Independent) of the Company;
- Recommend to the Board the policy relating to the remuneration of the Directors, KMP and Senior Management/ Other Employees of the Company ("Board"); and
- Reviewing and approving corporate goals and objectives relevant to the compensation of the executive Directors, evaluating their performance in light of those goals and objectives and either as a committee or together with the other independent Directors (as directed by the Board), determine and approve executive Directors' compensation based on this evaluation; making recommendations to the Board with respect to KMP and Senior Management compensation and recommending incentive-compensation and equity-based plans that are subject to approval of the Board.

The Nomination and Remuneration Policy of the Company is available on the website of the Company and can be accessed at the following web link:

<https://rsbretail.com/wp-content/uploads/2025/07/10.-Nomination-and-Remuneration-Policy.pdf>

### 15. NUMBER OF MEETINGS OF THE BOARD

The Board met Twenty-one (21) times during FY 2024-25. The details of the meetings of the Board held during FY 2024-25 are given below:

| S. No. | Date of Board meeting | Total No. of Directors entitled to attend | Attendance                |                 |
|--------|-----------------------|---|---------------------------|-----------------|
|        |                       |   | No. of Directors attended | % of Attendance |
| 1.     | April 01, 2024        | 7   | 7                         | 100             |
| 2.     | April 18, 2024        | 7   | 7                         | 100             |
| 3.     | May 22, 2024          | 7   | 7                         | 100             |
| 4.     | June 15, 2024         | 7   | 6                         | 86              |
| 5.     | July 06, 2024         | 7   | 6                         | 86              |
| 6.     | July 25, 2024         | 7   | 7                         | 100             |
| 7.     | August 16, 2024       | 7   | 7                         | 100             |
| 8.     | August 28, 2024       | 7   | 7                         | 100             |
| 9.     | August 30, 2024       | 7   | 7                         | 100             |
| 10.    | September 13, 2024    | 7   | 4                         | 57              |
| 11.    | September 23, 2024    | 7   | 7                         | 100             |
| 12.    | September 25, 2024    | 7   | 7                         | 100             |
| 13.    | September 27, 2024    | 7   | 7                         | 100             |

**Board's Report (Contd.)**
**Board's Report (Contd.)**

| S. No. | Date of Board meeting | Total No. of Directors entitled to attend | Attendance                |                 |
|--------|-----------------------|---|---------------------------|-----------------|
|        |                       |   | No. of Directors attended | % of Attendance |
| 14.    | October 03, 2024      | 7   | 7                         | 100             |
| 15.    | October 04, 2024      | 7   | 7                         | 100             |
| 16.    | October 18, 2024      | 7   | 7                         | 100             |
| 17.    | October 30, 2024      | 7   | 7                         | 100             |
| 18.    | November 14, 2024     | 7   | 7                         | 100             |
| 19.    | January 18, 2025      | 9   | 7                         | 78              |
| 20.    | February 27, 2025     | 9   | 9                         | 100             |
| 21.    | March 19, 2025        | 11  | 10                        | 91              |

**16. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) of the Companies Act, 2013, the Directors confirm that:

- I. In the preparation of the annual accounts for the Financial Year ended March 31, 2025, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- II. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2025 and of the profit of the Company for the Financial Year ended March 31, 2025;
- III. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the annual accounts have been prepared on a 'going concern' basis;
- V. proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- VI. the Directors have devised proper systems to ensure compliance with the provisions

of all applicable laws and that such systems were adequate and operating effectively.

**17. AUDITORS AND AUDITORS' REPORT**
**I. Statutory Auditors**

The shareholders in the 16<sup>th</sup> AGM, approved the appointment of M/s. Laxminiwas & Co., Chartered Accountants (Firm Registration No.011168S), as the Statutory Auditors, for a period of five (5) years i.e., from the conclusion of the 16<sup>th</sup> AGM held in the year 2024 till the conclusion of 21<sup>st</sup> AGM of the Company to be held in the year 2029.

M/s. Laxminiwas & Co., Chartered Accountants, have confirmed that they have not been disqualified to act as Statutory Auditors of the Company and that their appointment is within the maximum ceiling limit as prescribed under Section 141 of Companies Act, 2013/ relevant statute.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

The Auditors' Report for the Financial Year ended March 31, 2025, does not contain any qualification, reservation or adverse remark, etc. Further the Auditors' Report being self-explanatory does not call for any further comments from the Board of Directors.

**II. Maintenance of Cost Records and Cost Auditors**

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 3 & 4 of The Companies (Cost Record and Audit) Rules, 2014 and all other applicable provisions of the Companies Act, 2013, the Cost Audit is not applicable to the Company.

**III. Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/S. B S S & Associates, Practicing Company Secretaries ("**Secretarial Auditors**") to conduct the Secretarial Audit of your Company for FY 2024-25.

Further, M/s. B S S & Associates, practicing Company Secretaries (Firm Registration No. 3744) have been recommended as Secretarial Auditor of the Company from the conclusion of this 17<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 22<sup>nd</sup> Annual General Meeting to be held in the year 2030. A resolution seeking shareholders' approval has been included in the notice of the AGM.

The Secretarial Audit Report for the Financial Year ended March 31, 2025 is annexed herewith as **Annexure- 1** and forms an integral part of this Annual Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, etc.

The Secretarial Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

**IV. Internal Auditors**

The Company has appointed M/s. M. N. Rao & Associates, Chartered Accountants firm, as internal auditors of the Company as required under section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014.

The statutory auditors have considered the report given by the internal auditors, in determining the nature, timing and extent of their audit procedures.

**18. ANNUAL RETURN**

As required under Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at <https://rsbretail.com/investor-relations/shareholders-information/annual-returns/>.

**19. RELATED PARTY TRANSACTIONS**

In compliance with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at <https://rsbretail.com/wp-content/uploads/2025/07/8.-Policy-on-Materiality-and-Dealing-with-Related-Party-Transactions.pdf>.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and its Related Parties. All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive nature and/or entered in the Ordinary Course of Business and are at Arm's Length.

All related party transaction entered during the year were in the Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transaction, was entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

**20. LOANS AND INVESTMENTS**

During the year under review, the Company has not made any loans or investments or given any guarantees under Section 186 of the Companies Act, 2013.

## Board's Report (Contd.)

### 21. RISK MANAGEMENT

The Management of the Company has formed a risk management team to frame, implement and monitor the risk management plan for the Company. The Board is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Further on March 19, 2025, your Company has a Risk Management Committee which monitors and reviews the risk management plan/ process of your Company. The Company has adequate risk management procedures in place.

The Risk Management Committee oversees the risk management processes with respect to all probable risks that the organisation could face such as strategic, financial, liquidity, security including cyber security, regulatory, legal, reputational and other risks. The Committee ensures that there is a sound Risk Management Policy to address such risks which includes the process for identification of elements of risk, if any, which may threaten the existence of the Company. Further, there are no elements of risk which in the opinion of the Board may threaten the existence of the Company.

### 22. WHISTLE BLOWER POLICY AND VIGIL MECHANISM

In Compliance with the provisions of section 177 of the Companies Act, 2013, the Company has in place the Whistle Blower Policy and Vigil Mechanism for Directors, employees and other stakeholders which provides a platform to them for raising their voice about any breach of code of conduct, financial irregularities, illegal or unethical practices, unethical behaviour, actual or suspected fraud. Adequate safeguards are provided against victimisation to those who use such mechanism and direct access to the Chairman of the Audit Committee in appropriate cases is provided.

The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination is made against any person. The Whistle Blower Policy and Vigil Mechanism may be accessed on the Company's

website at <https://rsbretail.com/wp-content/uploads/2025/08/Whistle-Blower-Policy.pdf>.

### 23. CORPORATE SOCIAL RESPONSIBILITY

The prime objective of our Corporate Social Responsibility policy is to hasten social, economic and environmental progress. We remain focused on generating systematic and sustainable improvement for local communities surrounding our stores.

The Board of Directors of your Company has formulated and adopted a policy on Corporate Social Responsibility which can be accessed at: <https://rsbretail.com/wp-content/uploads/2025/07/12.-RSB-CSR-Policy.pdf>.

The annual report on corporate social responsibility activities containing composition of CSR Committee and disclosure as per Section 134 and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached and marked as **Annexure - 2** and forms part of this report.

### 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in compliance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee ("ICC") as specified under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company conducts sessions for employees to build awareness amongst employees about the Policy and the provisions of Prevention of Sexual Harassment of Women at Workplace Act.

During the period under review, no complaint was received by the ICC.

- (a) number of complaints of sexual harassment received in the year; Nil
- (b) number of complaints disposed off during the year; Nil

## Board's Report (Contd.)

- (c) number of cases pending for more than ninety days: Nil

### 25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is given below:

#### A. Energy Conservation:

The Company has continued its efforts to reduce its energy consumption year on year.

Some of the key measures taken by the Company are as below:

#### I. Energy conservation measures taken/ Utilizing alternate sources of energy:

- Installed energy efficient LED lights across the stores.
- Installation of solar rooftops.
- Regular training and awareness drives for employees on energy conservation.
- Adopted good maintenance practice to avoid energy losses and optimised energy consumption.

#### II. Impact of Measures:

The energy conservation measures taken from time to time by your Company have resulted in considerable reduction of energy and thereby reducing the cost.

#### III. Capital Investment on Energy Conservation Equipment:

Since the operations of the Company warrants low energy consumption, the Company has not made any capital investment on energy conservation measures.

### B. Technology Absorption:

#### I. Technology Absorption, Adaptation & Innovation:

##### (i) Efforts made towards technology absorption & benefits derived from the efforts:

We have strategically invested in developing a future-ready, scalable, and secure information technology ecosystem to support our growing retail network and drive operational excellence. Our IT infrastructure is based on robust security protocols, hybrid network architecture, and automated cloud backups that safeguard business continuity and ensure data integrity across all locations.

Our operations are managed through a suite of integrated digital platforms that facilitate point-of-sale, finance, inventory management, and business intelligence functions. Comprehensive human resource management tools support the full employee lifecycle, including payroll processes. Secure virtual private networks, standard operating procedure automation, digital document management, and real-time connectivity across our stores further strengthen our internal capabilities.

We have also introduced an artificial intelligence-driven business intelligence platform, which provides predictive sales analytics, operational insights, and unified customer relationship management intelligence. These features enable data-driven decision-making and foster targeted customer engagement.

**Board's Report (Contd.)**

To maintain regulatory compliance and strong cybersecurity, we have implemented wide-ranging data loss prevention measures, conduct regular vulnerability assessments and penetration testing, and are actively transitioning to next-generation document management solutions with advanced application programming interface access and mobile compatibility.

**(ii) In case of imported technology (imported during the last three years reckoned from the beginning of the FY 2024-25):** None.

**(iii) Expenditure incurred on Research and Development:**

No expenditure was incurred on Research and Development by the Company during the period under review.

**C. Foreign exchange earnings and outgo:**

| S. No. | Particulars               | Amount (In Rs. million) |
|--------|---------------------------|-------------------------|
| 1      | Foreign Exchange Earnings | -                       |
| 2      | Foreign Exchange Outgo    | -                       |

**26. INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY**

Your Company has in place an adequate internal financial control framework with reference to financial and operating controls thereby ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information and such controls are operating effectively.

During FY 2024-25, such controls were tested and no reportable material weakness in the design or operation was observed.

The Directors have in the Directors Responsibility Statement confirmed the same to this effect.

**27. DISCLOSURE RELATED TO INSOLVENCY AND BANKRUPTCY:**

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year is not applicable.

**28. NO DIFFERENCE IN VALUATION:**

The requirement to disclose the details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable.

**29. COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961**

During the year under review the Company has complied with the provisions of Maternity Benefit Act, 1961.

**30. SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant/ material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

**31. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

During the year, there was no unclaimed dividend amount to transfer to the Investor Education and Protection Fund.

**32. COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has duly complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors (SS-1) and shareholders (SS-2).

**Board's Report (Contd.)**
**33. ACKNOWLEDGEMENT & APPRECIATION**

Your Directors express their sincere appreciation for the assistance and co-operation received from the Government authorities, financial institutions, banks, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the employees.

**For and on behalf of Board of Directors  
RSB Retail India Limited  
(formerly known as 'R S BROTHERS RETAIL INDIA LIMITED')**

**Potti Venkateswarlu**  
Chairperson and Whole-Time Director  
DIN: 01430443

**Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**Tiruveedhula Prasada Rao**  
Whole-time Director  
DIN: 01430663

Place: Hyderabad  
Date: September 08, 2025

## Annexure-1

## Annexure-1 (Contd.)

**Form No. MR-3**  
**Secretarial Audit Report**  
**For the Financial Year ended on March 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and

Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
M/s. RSB RETAIL INDIA LIMITED,  
(Formerly Known as 'R S BROTHERS RETAIL INDIA LIMITED'),  
Door No:7-2-1740,  
Opposite to Fire Station Office,  
Main Road, Sanath Nagar,  
Hyderabad, Telangana - 500018.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. RSB RETAIL INDIA LIMITED, (Formerly Known as 'R S BROTHERS RETAIL INDIA LIMITED') (CIN: U47510TG2008PLC058454) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2025** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(Not Applicable to the Company during the audit period)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the Company during the audit period)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company during the audit period)**
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**
  - (d) The Securities Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **(Not applicable to the Company during the audit period)**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the audit period)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**

Laws specially applicable to the industry to which the Company belongs, as identified by the Management:

The other laws as may be applicable specifically to the Company are:

- i. The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- ii. Employees State Insurance Act, 1948;
- iii. Employers Liability Act, 1938;
- iv. Equal Remuneration Act, 1976;
- v. Maternity Benefits Act, 1961;
- vi. Minimum Wages Act, 1948;
- vii. Negotiable Instruments Act, 1881;
- viii. Payment of Bonus Act, 1965;
- ix. Payment of Gratuity Act, 1972;
- x. Payment of Wages Act, 1936 and other applicable labour laws;
- xi. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- xii. Various state shops and establishments legislations
- xiii. Contract Labour (Regulation and Abolition) Act, 1970
- xiv. Information Technology Act, 2000 (the "IT Act") and the rules made thereunder
- xv. Legal Metrology Act, 2009 (the "Legal Metrology Act")
- xvi. Trade Marks Act, 1999 (the "Trade Marks Act")

- (i) Laws specially applicable to the industry to which the Company belongs, as identified by the Management:
  - i. Competition Act, 2002;
  - ii. Consumer Protection Act, 1986;
  - iii. Sales of Goods Act, 1930

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that** on examination of the relevant documents and records and based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of compliance reports by respective department heads of the Company, in our opinion, there exist adequate systems and processes and control mechanism in the Company to monitor and ensure compliance with applicable general laws.

**We further report that** that the compliances by the Company of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this audit since the same is not within the scope of our audit.

We further report that the Board of Directors of the Company has been duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

**We further report that** adequate notice was given to all directors to schedule the Board Meetings and agenda with detailed notes thereon were sent to all the directors at least seven days in advance and a system exists for seeking and obtaining further information and clarifications as may be required on the agenda items before the meeting and for meaningful participation at the meeting.

### Annexure-1 (Contd.)

As per the minutes of the meetings duly recorded and signed by the Chairman, all the decisions of the Board were without any dissent.

**We further report that** there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, the following material events / actions have taken place:

1. The company has converted from Private limited company to Public Limited company w.e.f October 22, 2024.
2. The Company has increased its Authorised share Capital from Rs. 100 crore to Rs. 150 crore w.e.f January 21, 2025.

3. The Company has changed its name from R S Brothers Retail India Limited to RSB Retail India Limited w.e.f February 07, 2025.
4. The Company has subdivided its Equity shares from face value Rs. 10/- per share to Rs. 2/- per share.
5. The Company has Issued Bonus Shares to its existing share holders in ratio of 1:6 (i.e., six new bonus equity shares of face value Rs. 2/- each for every one existing share held of face value Rs. 2/- each by existing equity shareholders) and allotted such shares on March 04, 2025.

**For B S S & Associates  
Company Secretaries**

**S. Srikanth**

Partner

ACS No.: A22119

C P No.: 7999

UDIN: A022119G001170266

Place: Hyderabad

Date: September 04, 2025

This Report is to be read with our letter of even date which is annexed as 'Annexure A' and Forms an integral part of this report.

### Annexure-A

To,  
M/s. RSB RETAIL INDIA LIMITED,  
(Formerly Known as 'R S BROTHERS RETAIL INDIA LIMITED')  
Door No: 7-2-1740,  
Opposite to Fire Station Office,  
Main Road, Sanath Nagar,  
Hyderabad, Telangana - 500018.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is not an assurance as to the future viability of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For B S S & Associates  
Company Secretaries**

**S. Srikanth**

Partner

ACS No.: A22119

C P No.: 7999

UDIN: A022119G001170266

Place: Hyderabad

Date: September 04, 2025

## Annexure - 2

### ANNUAL REPORT ON CSR ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company:

The Company approach towards Corporate Social Responsibility (“CSR”) is based upon its core values, which include fostering inclusive growth by sharing some of the wealth we create with the society at large. CSR has always been and shall always be an integral and strategic part of our business process. It is a vital constituent of our Company’s commitment to sustainability. True to the spirit of our vision, we strive to utilise the potential of human and natural capital around us in a manner that facilitates social, economic and environmental progress. The Company aims to be a good corporate citizen by subscribing to the principles of integrating its economic, environmental and social objectives, and effectively utilizing its own resources towards improving the quality of life and building capacities of the local communities, society at large and various Stakeholders.

In accordance with the Companies Act, 2013, your Company has committed 2% (Net Profit before Tax) annually towards CSR initiatives. The CSR Policy of your Company outlines the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the CSR annual action plans.

#### 2. Composition of CSR Committee:

The CSR Committee comprises of following members as on March 31, 2025:

| Sl. No | Name of Director             | Designation/ Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|------------------------------|-------------------------------------|--|--|
| 1.     | Mrs. Poonam Malakonadaiah    | Chairperson (Independent Director)  | 1  | NA*  |
| 2.     | Mr. Seerna Rajamouli         | Member (Managing Director)          | 1  | 1  |
| 3.     | Mr. Tiruveedhula Prasada Rao | Member (Whole-time Director)        | 1  | 1  |

CSR Committee was reconstituted vide Board resolution dated March 19, 2025

\*Appointed w.e.f. March 19, 2025

#### 3. The web-link(s) where Composition of CSR Committee, CSR policy and CSR projects approved by the board are disclosed on the website of the Company are provided below:

|  |   |
|--|---|
| Composition of the CSR Committee:      | <a href="https://rsbretail.com/investor-relations/corporate-governance/board-and-board-committees/">https://rsbretail.com/investor-relations/corporate-governance/board-and-board-committees/</a> |
| CSR Policy:                            | <a href="https://rsbretail.com/wp-content/uploads/2025/07/12.-RSB-CSR-Policy.pdf">https://rsbretail.com/wp-content/uploads/2025/07/12.-RSB-CSR-Policy.pdf</a>                                     |
| CSR Projects as approved by the Board: | <a href="https://rsbretail.com/investor-relations/shareholders-information/policies-programs/">https://rsbretail.com/investor-relations/shareholders-information/policies-programs/</a>           |

#### 4. Executive summary along with the web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable.

#### 5. (a) Average net profits of the Company as per sub-section (5) of section 135: **Rs. 96,15,80,350/-**

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135: **Rs. 1,92,31,607/-**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **Nil**

(d) Amount required to be set off for the financial year, if any - **Nil**

(e) Total CSR Amount obligation for the financial year [(b)+(c)-(d)]. - **Rs. 1,92,31,607/-**

### Annexure - 2 (Contd.)

#### 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 1,92,56,624/-**

(b) Amount spent in Administrative Overheads: **Nil**

(c) Amount spent on Impact Assessment, if applicable: **Nil**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 1,92,56,624/-**

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year (In Rs.) | Amount Unspent (In Rs.)  |                  |  |        |                  |
|--|--|------------------|--|--------|------------------|
|  | Total Amount transferred to Unspent CSR Account as per section 135(6). |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. |        |                  |
|  | Amount   | Date of Transfer | Name of the Fund   | Amount | Date of Transfer |
| Rs. 1,92,56,624/-                                  | Nil  | Not Applicable   | Not Applicable   | Nil    | Not Applicable   |

(f) Excess amount for set-off, if any: Nil

| Sl. No | Particular  | Amount (In Rs.) |
|--------|---|-----------------|
| (i)    | Two percent of average net profit of the Company as per sub-section (5) of section 135                      | 1,92,31,607     |
| (ii)   | Total amount spent for the Financial Year   | 1,92,56,624     |
| (iii)  | Excess amount spent for the financial year [(ii)-(i)]   | 25,017          |
| (iv)   | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil             |
| (v)    | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 25,017*         |

\*The Company will not carry forward any excess amount spent during FY 2024-25.

#### 7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

| 1      | 2                           | 3   | 4   | 5   | 6  |                   | 7   | 8                  |
|--------|-----------------------------|---|---|---|--|-------------------|---|--------------------|
| Sl. No | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.) | Amount spent in the Financial Year (in Rs.) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                   | Amount remaining to be spent in succeeding Financial Years (in Rs.) | Deficiency, if any |
|        |                             |   |   |   | Amount   | Date of transfer. |   |                    |
| 1      | 2022-23                     | Nil   | Nil   | Nil   | 1,39,057.70  | June 19, 2023     | Nil   | Nil                |

#### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes  No

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable.**

Annexure - 2 (Contd.)

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No         | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR Amount spent | Details of Company/ Authority/ beneficiary of the registered owner |      |                    |
|----------------|---|-------------------------------------|------------------|----------------------------|--|------|--------------------|
| (1)            | (2)   | (3)                                 | (4)              | (5)                        | (6)  |      |                    |
|                |   |                                     |                  |                            | CSR Registration Number, if applicable                             | Name | Registered address |
| Not Applicable |   |                                     |                  |                            |  |      |                    |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. **Not Applicable**

**For RSB Retail India Limited**  
(formerly known as 'R S BROTHERS RETAIL INDIA LIMITED')

**Mr. Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**Mrs. Poonam Malakondaiah**  
Chairperson of CSR Committee  
DIN: 07488397

Place: Hyderabad  
Date: September 8, 2025

**FINANCIAL STATEMENTS**

## Independent Auditor's Report

### To The Members of RSB Retail India Limited

#### Report on the Audit of the Standalone Financial Statements

##### OPINION

We have audited the Ind AS financial statements of **RSB Retail India Limited** (formerly known as *RS Brothers Retail India Limited*) ("the Company"), which comprise the balance Sheet as of 31<sup>st</sup> March 2025, the statement of profit & loss, the statement of changes in equity and the statement of cash flow for the year then ended and notes to the financial statements, including a summary of the Material accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2025, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to the audit of standalone financial statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including annexures and other company related information (but does not include the standalone financial statements and our auditor's report thereon), which are expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

#### RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the company in accordance with Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

### Independent Auditor's Report (Contd.)

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the financial reporting process of the company.

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit (including audit trail) in order to design audit procedures that are appropriate in the circumstances. Under section

143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we

### Independent Auditor's Report (Contd.)

### Independent Auditor's Report (Contd.)

- give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit we report that:
- (a) We have sought, and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the statement of Cash Flows Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
- (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial controls with reference to the financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**. Our Report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control with reference to financial statements.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sec 197(16) of the Act as amended: In our opinion and to the best of our information and according to the explanation given to us, remuneration has been paid to its directors by the company during the year under audit is within the permissible of sec 197 of the Companies Act, 2013.
- (h) With respect to the other matters to be included in the auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer to Note no. 37 of the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no such amounts that were required to be transferred to the Investor Education and Protection Fund during the year ended 31<sup>st</sup> March 2025 by the company.
- (iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (v) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (vi) The company has not declared any dividend during the year.
- (vii) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- For Laxminiwas & Co.**  
Chartered Accountants  
**Firm's Registration Number:** 011168S
- Vijay Singh**  
Partner
- Date:** August 13, 2025    **Membership Number:** 221671  
**Place:** Hyderabad    **UDIN:** 25221671BMJBLL2093

## Annexure A to the Auditor's Report

Referred to in paragraph 1 under the heading “**Report on Other Legal and Regulatory Requirements**” of our report of even date.

(i). In respect of the company's Property, Plant and Equipment, and Intangible Assets:

a. (A) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is maintaining proper records showing full particulars including details and situation of property plant & equipment.

(B) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is maintaining proper records showing full particulars including quantitative details and situation of intangible assets.

b. The Company is having a regular programme of physical verification of all Property, Plant and Equipment on periodic basis, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. According to the information and explanations given to us and on the basis of our examination of the records of the company, we report that the title deed, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the company as on the balance sheet date.

d. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not revalued its property, plant, and equipment or intangible

assets, or both during the year. Therefore, the clause 3(i)(d) of the order is not applicable to the company and hence not commented upon.

e. According to the information and explanations given to us, there are no proceedings initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act 1988 and the rules made thereunder. Therefore, Clause 3(i)(e) of the order is not applicable to the Company and hence not commented upon.

(ii). (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. However, the discrepancies which were noted by the management during the periodic inventory verification were incorporated as per the books of accounts and these discrepancies were not material which does not exceed 10% or more in the aggregate of each class between physical inventory and book records were noticed on such verification.

(b) The Company has sanctioned working capital limits in excess of INR 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information given to us, company is required to provide quarterly returns/statements with such banks for the period under audit. Refer Note 46 of the Financial Statements for details of the quarterly returns/statements submitted to the banks from which the company has availed working capital loans.

(Rs. In million unless stated otherwise in the table below)

| Name of the bank   | Particulars       | Nature of current asset offered as security | Quarter ended | Amount disclosed as per quarterly return/statement | Amount as per books of accounts | Difference |
|--|-------------------|---|---------------|--|---------------------------------|------------|
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables | Refer Note 18 Foot Note                     | 31-Mar-25     | 21.44  | 39.38                           | -17.94     |
|  | Inventories       |   |               | 5,523.69   | 5,718.08                        | -194.39    |
|  | Trade payables    |   |               | 3,207.09   | 3,702.09                        | -495       |

## Annexure A to the Auditor's Report (Contd.)

(Rs. In million unless stated otherwise in the table below)

| Name of the bank   | Particulars       | Nature of current asset offered as security | Quarter ended | Amount disclosed as per quarterly return/statement | Amount as per books of accounts | Difference |
|--|-------------------|---|---------------|--|---------------------------------|------------|
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables | Refer Note 18 Foot Note                     | 31-Dec-24     | 51.86  | 92.47                           | -40.6      |
|  | Inventories       |   |               | 6,974.48   | 6,977.36                        | -2.88      |
|  | Trade payables    |   |               | 5,015.03   | 6,150.78                        | -1,135.75  |
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables | Refer Note 18 Foot Note                     | 30-Sep-24     | 51.09  | 135.48                          | -84.39     |
|  | Inventories       |   |               | 6,222.12   | 6,222.12                        | -          |
|  | Trade payables    |   |               | 4,488.66   | 3,712.26                        | 776.4      |
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables | Refer Note 18 Foot Note                     | 30-Jun-24     | 27.79  | 111.65                          | -83.86     |
|  | Inventories       |   |               | 5,083.62   | 5,083.62                        | -          |
|  | Trade payables    |   |               | 3,178.79   | 3,132.37                        | 46.42      |

(iii). According to the information and explanations given to us and on the basis of our examination of the records of the company, whether during the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, If so,

a) whether during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity [not applicable to companies whose principal business is to give loans], if so, indicate -

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates. Not applicable, hence not commented upon.

(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates. The company has provided corporate guarantee on behalf of one of its group entities, the details for which are given below:

| Name of the Entity                     | Purpose   | March 31, 2025 (Rs. in million) |
|--|---|---------------------------------|
| R S Brothers Jewellers Private Limited | Corporate Guarantee for the facilities availed with SBI | 1,500.00                        |

b) whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest. According to the information and explanations given to us and on the basis of our examination of the records of the company, no such transactions have been entered into by the company.

c) in respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and

whether the repayments or receipts are regular. According to the information and explanations given to us and on the basis of our examination of the records of the company, we have noted no such loans were granted, hence not commented upon.

d) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest. According to the information and explanations given to us and on the basis of our examination of the records of the company, noted no such instance.

**Annexure A to the Auditor's Report (Contd.)**

**Annexure A to the Auditor's Report (Contd.)**

- e) whether any loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, if so, specify the aggregate amount of such dues renewed or extended or settled by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year [not applicable to companies whose principal business is to give loans]. Noted no such instance.
- f) whether the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, if so, specify the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013. According to the information and explanations given to us and on the basis of our examination of the records of the company, we have noted no such loans were granted, hence not commented upon.

(iv). According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not granted any loans or given any Guarantee or security under section 185 of the companies Act, 2013. The company has complied with this clause except for instances noted in clause iii above.

Disputed dues pertaining to:

| Name of the statute              | Nature of dues | Amount (₹ in million) | Period to which the amount relates to | Forum where dispute is pending       |
|----------------------------------|----------------|-----------------------|---------------------------------------|--------------------------------------|
| Income Tax Act, 1961             | Income Tax     | 7.02                  | AY 2020-21                            | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961             | Income Tax     | 4.7                   | AY 2021-22                            | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961             | Income Tax     | 118.76                | AY 2022-23                            | Commissioner of Income Tax (Appeals) |
| Income Tax Act, 1961             | Income Tax     | 49.29                 | AY 2023-24                            | Commissioner of Income Tax (Appeals) |
| Goods and Services Tax Act, 2017 | GST            | 3.17                  | FY 2024-25                            | Department of Goods & Services Tax   |
| Service Tax                      | Service Tax    | 9.63                  | FY 2015-16                            | Department of Services Tax           |

- (v). According to information and explanations given to us and on the basis of our examination of the records of the company, the Company has not accepted any public deposits during the year. Therefore, clause 3(v) of the order is not applicable to the Company and hence not commented upon.
- (vi). Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and whether such accounts and records have been so made and maintained. The Company is in the retail segment and does not have a manufacturing unit hence this clause is not applicable. Therefore, clause 3(vi) of the order is not applicable to the Company and hence not commented upon.
- (vii). a) According to the information and explanation given to us and the records of the company examined by us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income tax, Goods & Service Tax, Sales Tax, Wealth Tax, Service Tax, Customs duty, Cess and any other statutory dues applicable to it as on 31<sup>st</sup> March 2025.
- b) Where statutory dues referred to in sub-clause (a) have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned.

The company preferred appeal before the Hon'ble Commissioner of Income Tax (Appeals) against the order(s) of the Assessing Officer disputing the tax demands as below:

- AY 2023-24, Tax demand of Rs. 49.29 million plus interest and penalty (if levied).
- AY 2022-23, Tax demand of Rs. 137.75 million. In this regard, the Company has already paid a substantial portion of tax liability which may result in net tax exposure of Rs. 118.76 million plus interest and penalty (if levied).
- AY 2021-22, Tax demand of Rs. 4.70 million plus interest and penalty (if levied).
- AY 2020-21, Tax demand of Rs. 7.02 million plus interest and penalty (if levied).

The Company has received a demand order amounting to Rs. 9.97 million from the GST department on account of Input Tax Credit (ITC) availed but not appearing in GSTR-2A. In response, the Company has made a pre-deposit of ₹0.77 million and paid ₹6.03 million under protest through DRC-03. The remaining disputed amount of ₹3.17 million has been disclosed as a contingent liability.

The Company is currently contesting a demand raised by the Service Tax Department pursuant to an order dated 30 September 2015, amounting to Rs. 9.63 million. The demand relates to service tax allegedly collected during a period when the Company was not registered under the Service Tax regime. The entire amount of Rs. 9.63 million has been disclosed as a contingent liability.

- (viii). According to the information and explanation given to us and based on examination of the books of accounts of the company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix). (a). According to the information and explanations given to us and on the basis of the examination of the records of the company, the company has not defaulted in the repayment of loans or other borrowings in the payment of interest thereon to any lender.

- (b) According to the information and explanations are given to us and on the basis of the examination of the records of the company, the company has not been declared a willful defaulter by any bank or financial institution or, any other lenders.
- (c) According to the information and explanations are given to us and on the basis of the examination of records of the company, the company has term loans and whether the term loans raised were applied for the purpose for which the loans were verified during the period.
- (d) According to the information and explanations given to us and on the basis of the examination of records of the company, no funds raised on a short-term basis have been utilized for long-term purposes.
- (e) According to the information and explanations given to us and on the basis of the examination of records of the company, the company has funds from any entity or person on account to meet the obligations subsidiaries, Associates or Joint ventures. Therefore clause 3(xi)(e) of the order is not applicable and hence not commented upon.
- (f) According to the information and explanations given to us and on the basis of the examination of records of the company, the company has not raised loans during the year on pledge of securities held in its subsidiaries, Joint ventures, or Associate companies. Therefore clause 3(xi)(f) of the order is not applicable and hence not commented upon.
- (x). (a) According to the information and explanations given to us and on the basis of the examination of records of the company, no money was raised by the way of an initial public offer or further public offer (including debt instruments). Accordingly, Clause 3(x) (a) of the Order is not applicable and hence not commented upon.
- (b) According to the information and explanations given to us and on the basis of the examination of records of the company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, or partially

**Annexure A to the Auditor's Report (Contd.)**

- optionally convertible) during the year. Accordingly, Clause 3(x)(b) of the Order is not applicable and hence not commented upon.
- (xi). (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (b) According to the information and explanations are given to us, no report under section 143(12) of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central government.
- (c) According to the information and explanations given to us, there were no whistle-blower complaints received during the year.
- (xii). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not Nidhi Company. Accordingly, Clause 3(xii) (a), (b), and (c) of the Order is not applicable and hence not commented upon.
- (xiii). According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, and where applicable the details have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv). (a) According to the information and explanations given to us and based on our examination of the records of the company, the company has an internal audit system commensurate with the size and nature of its business.
- (b) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided by the management, we considered the reports of the Internal Auditors issued till date for the period under audit.
- (xv). According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the order is not applicable to the company and hence not commented upon.
- (xvi). (a) The company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the order is not applicable and hence not commented upon.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance Activities. Accordingly, Clause 3(xvi)(b) of the order is not applicable to the company and hence not commented upon.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulation made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company and hence not commented upon.
- (d) According to the information and explanations given to us and based on our examination of the records of the company, there is no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, clause 3(xvi)(d) of the Order is not applicable to the company and hence not commented upon.
- (xvii). According to the information and explanations are given to us and on the basis of our examination of the records of the company, the company has not incurred any cash loss in the current financial year (i.e. FY:2024-25) and there were no cash losses during the immediately preceding financial year.

**Annexure A to the Auditor's Report (Contd.)**

- (xviii). According to the information and explanations are given to us and on the basis of our examination of the records of the Company, there has been no resignation of the statutory auditors during the year. Accordingly, Clause 3(xviii) of the Order is not applicable and hence not commented upon.
- (xix). On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. On the basis of information gathered and evidence collected, there is no material uncertainty as to company's capabilities to meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx). According to the information and explanations given to us there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (a) Whether, in respect of other than ongoing projects, the company has transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. The company has complied with the same.
- (b) Whether any amount remaining unspent under sub-section (5) of section 135 of the Companies Act pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. The company has complied with the same
- (xxi). According to the information and explanation provided to us and based on the examination of records of the company, the reporting of the CARO report containing the qualifications or adverse remarks is not applicable as it is a Subsidiary Company. Hence not commented upon.
- For Laxminiwas & Co.**  
Chartered Accountants  
**Firm's Registration Number:** 011168S
- Vijay Singh**  
Partner
- Date:** August 13, 2025    **Membership Number:** 221671  
**Place:** Hyderabad    **UDIN:** 25221671BMJBL2093

## Annexure B to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

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

We have audited the internal financial controls over financial reporting of **RSB Retail India Limited** ("the Company") as of 31<sup>st</sup> March 2025 in conjunction with our audit of the financial statements of the company for the year ended on that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

### AUDITOR'S RESPONSIBILITY

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

adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with the authorizations of management and directors of the company; and

## Annexure B to the Independent Auditor's Report (Contd.)

- (3) Provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

### OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements, and such internal financial controls with reference to financial statements were operating effectively as at 31<sup>st</sup> March 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Laxminivas & Co.**

Chartered Accountants

**Firm's Registration Number:** 011168S

**Vijay Singh**

Partner

**Date:** August 13, 2025 **Membership Number:** 221671

**Place:** Hyderabad **UDIN:** 25221671BMJBLL2093

## Statement of Assets and Liabilities

(All amounts are in Rs. million, unless otherwise stated)

|  | Notes | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------|-------------------------|-------------------------|
| <b>ASSETS</b>  |       |                         |                         |
| <b>Non-current assets</b>  |       |                         |                         |
| (a) Property, plant and equipment  | 3     | 3,554.39                | 2,575.28                |
| (b) Capital work-in-progress   | 4     | 126.36                  | 81.49                   |
| (c) Right-of-use assets  | 5     | 6,668.30                | 4,056.69                |
| (d) Investment property  | 6     | 525.79                  | 525.79                  |
| (e) Intangible assets  | 7     | 23.16                   | 21.43                   |
| (f) Financial assets   |       |                         |                         |
| (i) Other financial assets   | 8     | 978.72                  | 709.42                  |
| (g) Other non-current assets   | 9     | 1,175.45                | 436.92                  |
| (h) Deferred tax assets (net)  | 10    | 489.64                  | 374.22                  |
| <b>Total Non-Current Assets</b>  |       | <b>13,541.81</b>        | <b>8,781.24</b>         |
| <b>Current assets</b>  |       |                         |                         |
| (a) Inventories  | 11    | 5,718.08                | 5,147.15                |
| (b) Financial assets   |       |                         |                         |
| (i) Trade receivables  | 12    | 39.38                   | 244.87                  |
| (ii) Cash and cash equivalents   | 13    | 248.78                  | 456.23                  |
| (iii) Bank balances other than (ii) above                                    | 14    | 114.19                  | 374.23                  |
| (iv) Other financial assets  | 8     | 258.16                  | 222.31                  |
| (c) Other current assets   | 15    | 312.93                  | 150.65                  |
| <b>Total Current Assets</b>  |       | <b>6,691.52</b>         | <b>6,595.44</b>         |
| <b>Total assets</b>  |       | <b>20,233.33</b>        | <b>15,376.68</b>        |
| <b>EQUITY AND LIABILITIES</b>  |       |                         |                         |
| <b>Equity</b>  |       |                         |                         |
| (a) Equity share capital   | 16    | 567.70                  | 81.10                   |
| (b) Other equity   | 17    | 4,001.23                | 3,435.97                |
| <b>Total Equity</b>  |       | <b>4,568.93</b>         | <b>3,517.07</b>         |
| <b>Liabilities</b>   |       |                         |                         |
| <b>Non-current liabilities</b>   |       |                         |                         |
| (a) Financial liabilities  |       |                         |                         |
| (i) Borrowings   | 18    | 1,637.18                | 1,116.35                |
| (ii) Lease liabilities   | 19    | 6,918.00                | 4,124.41                |
| (iii) Other financial liabilities  | 20    | 11.79                   | 13.87                   |
| (b) Other non-current liabilities  | 21    | 4.22                    | 3.49                    |
| (c) Provisions   | 22    | 224.76                  | 187.88                  |
| <b>Total Non-Current Liabilities</b>   |       | <b>8,795.95</b>         | <b>5,446.00</b>         |
| <b>Current liabilities</b>   |       |                         |                         |
| (a) Financial liabilities  |       |                         |                         |
| (i) Borrowings   | 18    | 1,713.14                | 1,440.94                |
| (ii) Lease liabilities   | 19    | 459.94                  | 494.74                  |
| (iii) Trade payables   |       |                         |                         |
| - total outstanding dues of micro and small enterprises;                     | 23    | 625.95                  | 1,789.81                |
| - total outstanding dues of creditors other than micro and small enterprises | 23    | 3,076.14                | 2,051.08                |
| (iv) Other financial liabilities   | 20    | 520.73                  | 410.57                  |
| (b) Other current liabilities  | 24    | 269.57                  | 162.29                  |
| (c) Provisions   | 22    | 19.65                   | 16.77                   |
| (d) Current tax liabilities (Net)  | 25    | 183.33                  | 47.41                   |
| <b>Total Current Liabilities</b>   |       | <b>6,868.45</b>         | <b>6,413.61</b>         |
| <b>Total Equity and Liabilities</b>  |       | <b>20,233.33</b>        | <b>15,376.68</b>        |

The accompanying notes are an integral part of the Financial Statements.  
As per our report of even date

**For Laxminiwas & Co**  
Chartered Accountants  
Firm Registration No: 011168S

**Vijay Singh**  
Partner  
Membership No. 221671

**For and on behalf of the Board of directors**  
**RSB RETAIL INDIA LIMITED (FORMERLY KNOWN AS 'R S BROTHERS RETAIL INDIA LIMITED')**  
(CIN : U47510TG2008PLC058454)

**Potti Venkateswarlu**  
Chairperson and Whole-Time Director  
DIN: 01430443

**CA R Gowrisankar**  
Chief Financial Officer  
Membership No. 211762

**Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**T S Maharani**  
Company Secretary and  
Compliance Officer  
Membership No. F8069

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

## Statement of Profit and Loss

(All amounts are in Rs. million, unless otherwise stated)

|  | Notes | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--|-------|--------------------------------------|--------------------------------------|
| <b>INCOME</b>  |       |                                      |                                      |
| Revenue from operations  | 26    | 26,939.44                            | 24,579.91                            |
| Other income   | 27    | 243.91                               | 211.27                               |
| <b>Total income</b>  |       | <b>27,183.35</b>                     | <b>24,791.18</b>                     |
| <b>EXPENSES</b>  |       |                                      |                                      |
| Purchases of stock in trade  | 28    | 17,474.63                            | 16,572.20                            |
| Changes in inventories of stock-in-trade                               | 29    | (661.59)                             | (703.61)                             |
| Employee benefits expense  | 30    | 3,357.83                             | 2,804.24                             |
| Finance costs  | 31    | 938.03                               | 693.90                               |
| Depreciation and amortisation expenses                                 | 32    | 1,445.73                             | 1,179.62                             |
| Other expenses   | 33    | 3,030.31                             | 3,246.00                             |
| <b>Total expenses</b>  |       | <b>25,584.94</b>                     | <b>23,792.35</b>                     |
| <b>Profit before exceptional items and tax</b>                         |       | <b>1,598.41</b>                      | <b>998.83</b>                        |
| Exceptional Items - Loss due to fire                                   | 50    | 93.49                                | -                                    |
| <b>Profit after exceptional items and before tax</b>                   |       | <b>1,504.92</b>                      | <b>998.83</b>                        |
| <b>Tax expenses</b>  |       |                                      |                                      |
| Current tax  |       | 507.57                               | 355.18                               |
| Deferred tax   |       | (117.99)                             | (87.61)                              |
| Tax pertaining to earlier years  |       | 71.13                                | 114.52                               |
| <b>Total tax expenses</b>  |       | <b>460.71</b>                        | <b>382.09</b>                        |
| <b>Profit for the year</b>   |       | <b>1,044.21</b>                      | <b>616.74</b>                        |
| <b>Other Comprehensive Income/(loss)</b>                               |       |                                      |                                      |
| (i) Items that will not be reclassified subsequently to profit or loss |       |                                      |                                      |
| - Re-measurement gains/(losses) on defined benefit plans               |       | 10.22                                | 10.21                                |
| - Income tax effect on the above                                       |       | (2.57)                               | (2.57)                               |
| (ii) Items that will be reclassified subsequently to profit or loss    |       | -                                    | -                                    |
| <b>Total other comprehensive income/(loss)</b>                         |       | <b>7.65</b>                          | <b>7.64</b>                          |
| <b>Total comprehensive income for the year</b>                         |       | <b>1,051.86</b>                      | <b>624.38</b>                        |
| <b>Earnings per equity share (Face value of share Rs. 2 each)</b>      |       |                                      |                                      |
| Basic (Rs.)  | 36    | 3.68                                 | 2.17                                 |
| Diluted (Rs.)  |       | 3.68                                 | 2.17                                 |

The accompanying notes are an integral part of the Financial Statements.  
As per our report of even date

**For Laxminiwas & Co**  
Chartered Accountants  
Firm Registration No: 011168S

**Vijay Singh**  
Partner  
Membership No. 221671

Place: Hyderabad  
Date: August 13, 2025

**For and on behalf of the Board of directors**  
**RSB RETAIL INDIA LIMITED (FORMERLY KNOWN AS 'R S BROTHERS RETAIL INDIA LIMITED')**  
(CIN : U47510TG2008PLC058454)

**Potti Venkateswarlu**  
Chairperson and Whole-Time Director  
DIN: 01430443

**CA R Gowrisankar**  
Chief Financial Officer  
Membership No. 211762

Place: Hyderabad  
Date: August 13, 2025

**Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**T S Maharani**  
Company Secretary and  
Compliance Officer  
Membership No. F8069

Place: Hyderabad  
Date: August 13, 2025

## Statement of Changes in Equity

(All amounts are in Rs. million, unless otherwise stated)

### A EQUITY SHARE CAPITAL

|   | Notes | Number of shares    | Amount        |
|---|-------|---------------------|---------------|
| <b>As at April 01, 2023</b>                     |       | <b>81,10,000</b>    | <b>81.10</b>  |
| Changes in equity share capital during the year | 16    | -                   | -             |
| <b>As at March 31, 2024</b>                     |       | <b>81,10,000</b>    | <b>81.10</b>  |
| Changes in equity share capital during the year | 16    | 27,57,40,000        | 486.60        |
| <b>As at March 31, 2025</b>                     |       | <b>28,38,50,000</b> | <b>567.70</b> |

### B OTHER EQUITY

| Particulars   | Reserves and surplus | Other comprehensive income ("OCI")                                 | Total           |
|---|----------------------|--|-----------------|
|   | Retained earnings    | Re-measurement gains/(losses) on defined benefit plans, net of tax |                 |
| <b>As at April 01, 2023</b>                                       | <b>2,827.15</b>      | <b>(15.63)</b>   | <b>2,811.52</b> |
| Profit for the year   | 616.74               | -  | 616.74          |
| Re-measurement gains/(losses) on defined benefit plans net of tax | -                    | 7.64   | 7.64            |
| Loyalty rewards written off                                       | 0.07                 | -  | 0.07            |
| <b>As at March 31, 2024</b>                                       | <b>3,443.96</b>      | <b>(7.99)</b>  | <b>3,435.97</b> |
| Profit for the year   | 1,044.21             | -  | 1,044.21        |
| Amount utilised for bonus issue                                   | (486.60)             | -  | (486.60)        |
| Re-measurement gains/(losses) on defined benefit plans net of tax | -                    | 7.65   | 7.65            |
| <b>As at March 31, 2025</b>                                       | <b>4,001.57</b>      | <b>(0.34)</b>  | <b>4,001.23</b> |

#### Retained earnings

Retained earnings are the profits that the Company has earned till date, less any dividends, adjustments or other distribution to the shareholders.

#### Re-measurement gains/(losses) on defined benefit plans, net of tax

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/losses on actuarial valuation of post-employment obligations.

The accompanying notes are an integral part of the Financial Statements.  
As per our report of even date

**For Laxminiwas & Co**  
Chartered Accountants  
Firm Registration No: 0111685

**For and on behalf of the Board of directors**  
**RSB RETAIL INDIA LIMITED (FORMERLY KNOWN AS 'R S BROTHERS RETAIL INDIA LIMITED')**  
(CIN : U47510TG2008PLC058454)

**Vijay Singh**  
Partner  
Membership No. 221671

**Potti Venkateswarlu**  
Chairperson and Whole-Time Director  
DIN: 01430443

**Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**CA R Gowrisankar**  
Chief Financial Officer  
Membership No. 211762

**T S Maharani**  
Company Secretary and  
Compliance Officer  
Membership No. F8069

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

## Statement of Cash Flow

(All amounts are in Rs. million, unless otherwise stated)

|   | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |                                      |                                      |
| Profit after exceptional items and before tax                   | <b>1,504.92</b>                      | <b>998.83</b>                        |
| <b>Adjustments:</b>   |                                      |                                      |
| Depreciation and amortisation expenses                          | 1,445.73                             | 1,179.62                             |
| (Gain)/loss on sale of Property, Plant and Equipment            | -                                    | -                                    |
| Finance costs   | 938.03                               | 693.90                               |
| Gain on derecognition of Right-of-use assets                    | (61.47)                              | (43.41)                              |
| Interest income of finance lease receivable                     | (34.60)                              | (31.00)                              |
| Loyalty Rewards written off                                     | -                                    | (0.07)                               |
| Interest income   | (46.39)                              | (35.02)                              |
| Rental Income   | -                                    | -                                    |
| Loss on derecognition of ROU                                    | 5.42                                 | -                                    |
| Remeasurement of Lease Receivable                               | (42.16)                              | (48.52)                              |
| Gain on remeasurement of term loans                             | (0.29)                               | -                                    |
| Loss on sale of Fixed Assets                                    | 2.61                                 | -                                    |
| Exceptional Items   | 93.49                                | -                                    |
| <b>Operating profit before working capital changes</b>          | <b>3,805.29</b>                      | <b>2,714.33</b>                      |
| <b>Changes in working capital:</b>                              |                                      |                                      |
| Decrease/(Increase) in inventories                              | (661.59)                             | (703.61)                             |
| Decrease/(Increase) in trade receivables                        | 205.49                               | 40.32                                |
| Decrease/(Increase) in Other current assets                     | (162.28)                             | (66.88)                              |
| Decrease/(Increase) in Other non-current assets                 | (738.53)                             | (13.27)                              |
| Decrease/(Increase) in Other current financial assets           | 5.44                                 | (10.78)                              |
| Decrease/(Increase) in Other non-current financial assets       | (196.80)                             | (130.98)                             |
| Increase/(Decrease) in trade payables                           | (139.79)                             | 271.59                               |
| Increase/(Decrease) in provisions                               | 49.98                                | 43.79                                |
| Increase/(Decrease) in Other financial liabilities              | 108.08                               | 110.86                               |
| Increase/(Decrease) in Other current liabilities                | 108.01                               | 77.89                                |
| Increase/(Decrease) in Other bank balances                      | -                                    | -                                    |
| <b>Cash flows generated from operating activities</b>           | <b>2,383.30</b>                      | <b>2,333.26</b>                      |
| Income-taxes paid   | (442.78)                             | (457.91)                             |
| <b>Net cash flows generated from operating activities</b>       | <b>1,940.52</b>                      | <b>1,875.35</b>                      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |                                      |                                      |
| Purchase of Property, Plant and Equipment and Intangible Assets | (1,809.30)                           | (1,406.82)                           |
| Proceeds from sale of Property, Plant and Equipment             | 41.15                                | -                                    |
| Loans granted to related and other parties                      | (30.11)                              | (32.99)                              |
| Loan amount recovered from related and other parties            | -                                    | -                                    |
| Movement in other bank balances                                 | 131.38                               | (435.49)                             |
| Interest received   | 21.79                                | 14.39                                |
| Rental income received from sub-leases                          | 136.00                               | 121.01                               |
| <b>Net cash flows (used in) investing activities</b>            | <b>(1,509.09)</b>                    | <b>(1,739.90)</b>                    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                     |                                      |                                      |
| Proceeds from non-current borrowings                            | 1,356.51                             | 1,183.92                             |
| Repayment of non-current borrowings                             | (665.51)                             | (238.95)                             |
| Proceeds from/(repayment) of short-term borrowings              | 105.54                               | 355.47                               |
| Repayment of lease liabilities                                  | (1,052.66)                           | (848.00)                             |
| Interest paid   | (382.76)                             | (293.94)                             |

**Statement of Cash Flow (Contd.)**

(All amounts are in Rs. million, unless otherwise stated)

|   | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| <b>Net cash flows (used in)/from financing activities</b> | <b>(638.88)</b>                      | <b>158.50</b>                        |
| <b>Net change in cash and cash equivalents</b>            | <b>(207.45)</b>                      | <b>293.95</b>                        |
| Cash and cash equivalents at the beginning of the year    | 456.23                               | 162.28                               |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>248.78</b>                        | <b>456.23</b>                        |
| <b>Cash and cash equivalents includes:</b>                |                                      |                                      |
| Cash on hand  | 88.08                                | 110.40                               |
| Balances with banks in current accounts                   | 32.25                                | 231.69                               |
| Credit card receivables                                   | 128.45                               | 114.14                               |
|   | <b>248.78</b>                        | <b>456.23</b>                        |

**Reconciliation of liabilities arising from financing activities**

|   | As at<br>April 1, 2024 | Cash Flows | Non Cash<br>Changes | As at<br>March 31, 2025 |
|---|------------------------|------------|---------------------|-------------------------|
| Lease Liabilities (Refer Note 19)                                   | 4,619.15               | (1,052.66) | 3,811.45            | 7,377.94                |
| Non-current Borrowings including current maturities (Refer Note 18) | 1,434.48               | 691.00     | (3.51)              | 2,121.97                |

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

**For Laxminiwas & Co**

Chartered Accountants  
Firm Registration No: 011168S

**Vijay Singh**

Partner  
Membership No. 221671

Place: Hyderabad  
Date: August 13, 2025

**For and on behalf of the Board of directors**

**RSB RETAIL INDIA LIMITED (FORMERLY KNOWN AS 'R S BROTHERS RETAIL INDIA LIMITED')**  
(CIN : U47510TG2008PLC058454)

**Potti Venkateswarlu**

Chairperson and Whole-Time Director  
DIN: 01430443

**CA R Gowrisankar**

Chief Financial Officer  
Membership No. 211762

Place: Hyderabad  
Date: August 13, 2025

**Seerna Rajamouli**

Managing Director  
DIN: 01980976

**T S Maharani**

Company Secretary and  
Compliance Officer  
Membership No. F8069

Place: Hyderabad  
Date: August 13, 2025

## Notes to Financial Statements

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### 1.1 General Information

RSB Retail India Limited (hereinafter referred to as "the Company") (Formerly Known as 'R S Brothers Retail India Limited') is a Company incorporated under Indian Companies Act, 1956 on May 31, 2008 (the erstwhile Act governing the companies) having its registered office at premises No.7-2-1740, Warehouse No. 14 & 15, KSSP Warehousing Complex, Opposite to Sky Mall, Sanathnagar, Hyderabad-500018, Telangana, India.

The Company, 'RSB Retail India Limited' is engaged in the business of trading of textiles, garments and other allied business activities.

#### 1.2 Basis of preparation of Financial Statements

##### a) Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 (the "Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and relevant amendment rules issued thereafter.

The Company has prepared the financial statements on a going concern basis. The accounting policies are applied consistently to all the years presented in the financial statements. These financial statements were approved by board of directors and authorised for issue on August 13, 2025.

##### b) Basis of Measurement

These Financial Statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- Certain financial assets and financial liabilities are measured either at fair value or at amortised cost depending on the classification;
- Long-term borrowings are measured at amortised cost using the effective interest rate method; and

c) Employee defined benefit assets/ (liability) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation; and

d) Right-of-use assets are recognised at the present value of future lease payments. This amount is adjusted for any lease payments made at or before the commencement date, lease incentives received and initial direct costs incurred, if any.

##### c) Functional and presentation currency

These Financial Statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest millions, up to two decimals, unless otherwise indicated.

##### d) Significant accounting judgements, estimates, and assumption

The preparation of these Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

##### Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining of an asset's expected useful life and the expected residual value at the end of its life. The residual values of Company's assets are determined by management at the time of acquisition of

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

asset and are reviewed periodically, including at each financial year end.

#### Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and non-financial assets. The calculations of impairment loss are sensitive to underlying assumptions.

#### Tax provisions and contingencies

Significant management judgement is required to determine the amounts of tax provisions and contingencies. Deferred tax assets are recognised for unused tax losses and MAT credit entitlements to the extent it is probable that taxable profit will be available against which these losses and credit entitlements can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

#### Fair value measurement of financial instruments

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

#### e) Current and Non-current classification

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

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within twelve months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as noncurrent.

Current assets/liabilities include the current portion of non-current assets/liabilities respectively. Deferred tax assets and liabilities are always disclosed as non-current.

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.

#### f) Fair value measurement

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing 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 the lowest level input that is significant to the fair value measurement as a whole:

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

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

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for sale in discontinued operations.

External valuers are involved, wherever considered necessary. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The following are the material accounting policies for the Company:

**2.1 Property Plant & Equipment**

**Recognition and Measurement**

The cost of an item of property, plant and equipment are recognised as an asset if, and only if 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.

Freehold land is carried at historical cost less any accumulated impairment losses.

Items of property, plant and equipment (including capital-work-in progress) are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalised as part of the cost of that asset.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognised. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work-in-progress (CWIP) includes cost of property, plant and equipment under installation/under development, as at the balance sheet date. Expenditure/Income during construction period is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

**Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

**Depreciation**

Depreciation on Property, Plant and Equipment is provided using written down value method on depreciable amount. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. For assets acquired or disposed of during the year, depreciation is provided on pro rata basis. Land is not depreciated.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

The useful life of Property Plant & Equipment as per Schedule II are as follows:

| Type of Asset  | Useful Life in Years |
|--|----------------------|
| Plant and Machinery                                      | 15 Years             |
| Office Equipment   | 5 Years              |
| Electrical Fittings                                      | 10 Years             |
| Furniture and fittings                                   | 10 Years             |
| Motor vehicles (Motor cars)                              | 8 Years              |
| Motor vehicles (Motor Cycles, scooters and other mopeds) | 10 Years             |
| Buildings  | 30 Years             |
| <b>Computers</b>   |                      |
| End user devices, such as, desktops, laptops, etc.       | 3 Years              |

Value of Leasehold Improvements is depreciated over its useful life or lease term whichever is lower.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other non-current assets. The cost of property, plant and equipment not ready to use before such a date are disclosed under capital work-in-progress.

**2.2 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets are amortised over the useful 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 are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets is recognised in the statement of profit and loss, unless such expenditure forms part of carrying value of another asset.

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

Following initial recognition, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.

**Computer Software**

The computer software is amortised on written down value method over the useful economic life of 6 years, as estimated by the management.

**2.3 Investment Property**

Properties that are held for long-term rental yields and/or for capital appreciation are classified as investment properties. Investment properties are stated at cost of acquisition or construction less accumulated depreciation and impairment if any. Depreciation is recognised using the straight-line method so as to amortise the cost of investment properties over their useful lives as specified in Schedule II of the Companies Act 2013.

Transfers to or from investment properties are made at the carrying amount when and only when there is a change in use. An item of investment property is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### 2.4 Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists an estimate of the recoverable amount of the individual asset/cash generating unit is made.

#### Reversal of Impairment of Assets

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

#### 2.5 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.

##### a. financial assets

###### Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are

recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

###### Subsequent measurement

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

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

###### Debt instruments at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

###### Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

derecognised (i.e., removed from the Company's balance sheet) when:

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

###### Impairment of Financial Assets

The Company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired.

##### b. financial liabilities

###### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including cash credits.

###### Subsequent measurement

The measurement of financial liabilities depends on their classification.

###### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss.

All other changes in fair value of such liability are recognised in the statement of profit and loss.

###### Loans and borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. 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 EIR amortisation is included as finance costs in the statement of profit and loss.

###### De-recognition

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

###### Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### Offsetting of financial instruments

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

#### 2.6 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, and other short-term deposits. For this purpose, 'short-term' means investments having maturity of three months or less from the date of investment, and which are subject to an insignificant risk of change in value.

#### 2.7 Revenue Recognition

The Company derives revenues primarily from sale of traded goods.

Revenue from contracts with customers is recognised on transfer of control of promised goods to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Revenue from sale of products is recognised when the control on the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the goods are delivered and on acceptance of such goods.

Sales are recognised when goods are supplied and control over the goods sold is transferred to the buyer which is on dispatch/delivery as per

the terms of contracts. Sales are net of returns, trade discounts, and sales taxes/Goods and Service Tax (GST).

The Company carries on a cash and carry model and accordingly, payment against sale of goods is receipt at the time of sale itself. Further, there are no financing component in the contract with customer and no variable consideration are involved in the transaction price.

#### 2.8 Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of inventories includes expenditure incurred in acquiring the inventories and other costs such as freight incurred in bringing them to their present location and condition. Costs of inventories are determined on FIFO method.

Net realisable value represents the estimated selling price for inventories less all costs necessary to make the sale.

As a part of periodic inventory reconciliations, adjustments for stock variances identified due to stock transfers from warehouse to store locations (in transit ) will be made in inventory valuation. Such adjustments are recorded based on reconciliation records to ensure an accurate representation of inventory balances.

#### 2.9 Employee Benefits

##### Short term employee benefits

All employee benefits payable wholly within twelve months after the end of the reporting period in which the employees render the related services, are classified as short-term employee benefits. Benefits such as salaries, wages, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

##### Defined contribution plans

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contributions.

Contribution as per Employee's Provident Funds and Miscellaneous Provisions Act 1952 towards

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

Provident Fund are provided for and payments in respect thereof are made to the relevant authorities on actual basis.

Short term employee benefits are recognised on an undiscounted basis whereas long term employee benefits are recognised on a discounted basis.

#### Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability or asset recognised in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

#### Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognised in the statement of profit and loss in the period in which they arise.

#### 2.10 Provisions, contingent liabilities and contingent assets

##### Provisions

A provision is recognised in the statement of profit and loss if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

##### Contingent liabilities and contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the Financial Statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### 2.11 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

##### Current tax

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

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

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax base used in the computation of taxable profit.

Deferred tax liabilities and assets are recognised for all taxable temporary differences and deductible temporary differences.

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.

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.

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.

#### 2.12 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

##### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section of Impairment of non-financial assets.

##### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

##### 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 of 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.

##### The Company as lessor

At inception or on modification 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.

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

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset or the present value of the lease payments amounts to at least substantially all of the fair value of the underlying asset at the inception date.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

The Company applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other income".

**2.13 Earnings Per Share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

**Diluted earnings per share**

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

**2.14 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Chief operating decision maker is considered to be the Board of Directors who makes strategic decisions and is responsible for allocating resources and assessing performance of the operating segments.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

|   | Land          | Buildings     | Leasehold Improvements | Plant & Machinery | Office Equipment | Electrical Fittings | Furniture and fittings | Motor vehicles | Computers     | Total           |
|---|---------------|---------------|------------------------|-------------------|------------------|---------------------|------------------------|----------------|---------------|-----------------|
| <b>Balance as at April 01, 2023</b>     | <b>130.66</b> | <b>148.97</b> | <b>38.05</b>           | <b>255.25</b>     | <b>13.31</b>     | <b>344.21</b>       | <b>1,088.08</b>        | <b>258.82</b>  | <b>58.16</b>  | <b>2,335.52</b> |
| Additions during the year               | 5.25          | 180.08        | 159.07                 | 170.62            | 9.47             | 191.02              | 593.11                 | 66.10          | 27.86         | 1,402.58        |
| Disposals/adjustments during the year   | -             | -             | -                      | -                 | -                | -                   | -                      | -              | -             | -               |
| <b>Balance as at March 31, 2024</b>     | <b>135.91</b> | <b>329.05</b> | <b>197.12</b>          | <b>425.87</b>     | <b>22.78</b>     | <b>535.23</b>       | <b>1,681.19</b>        | <b>324.92</b>  | <b>86.02</b>  | <b>3,738.09</b> |
| Additions during the year               | 187.02        | 48.14         | 510.89                 | 212.95            | 9.30             | 271.74              | 380.16                 | 101.03         | 31.06         | 1,752.30        |
| Disposals/adjustments during the period | -             | -             | (0.13)                 | (7.40)            | -                | (30.38)             | (101.03)               | (16.54)        | -             | (155.49)        |
| <b>Balance as at March 31, 2025</b>     | <b>322.93</b> | <b>377.20</b> | <b>707.88</b>          | <b>631.42</b>     | <b>32.08</b>     | <b>776.59</b>       | <b>1,960.31</b>        | <b>409.40</b>  | <b>117.08</b> | <b>5,334.90</b> |
| <b>Accumulated depreciation</b>         |               |               |                        |                   |                  |                     |                        |                |               |                 |
| <b>As at April 01, 2023</b>             | -             | <b>2.30</b>   | <b>10.35</b>           | <b>66.27</b>      | <b>7.05</b>      | <b>118.81</b>       | <b>360.85</b>          | <b>32.47</b>   | <b>27.20</b>  | <b>625.30</b>   |
| Charge for the year                     | -             | 16.46         | 17.48                  | 49.17             | 4.87             | 82.45               | 265.94                 | 73.94          | 27.21         | 537.52          |
| Deletions/Disposals                     | -             | -             | -                      | -                 | -                | -                   | -                      | -              | -             | -               |
| <b>As at March 31, 2024</b>             | -             | <b>18.76</b>  | <b>27.82</b>           | <b>115.44</b>     | <b>11.92</b>     | <b>201.26</b>       | <b>626.79</b>          | <b>106.41</b>  | <b>54.41</b>  | <b>1,162.81</b> |
| Charge for the period                   | -             | 27.85         | 60.83                  | 71.00             | 6.88             | 115.43              | 312.70                 | 84.90          | 27.88         | 707.47          |
| Deletions/Disposals                     | -             | -             | (0.11)                 | (3.28)            | -                | (14.34)             | (56.93)                | (15.11)        | -             | (89.77)         |
| <b>As at March 31, 2025</b>             | -             | <b>46.61</b>  | <b>88.54</b>           | <b>183.16</b>     | <b>18.80</b>     | <b>302.35</b>       | <b>882.56</b>          | <b>176.20</b>  | <b>82.29</b>  | <b>1,780.52</b> |
| <b>Net book value</b>                   |               |               |                        |                   |                  |                     |                        |                |               |                 |
| As at March 31, 2024                    | 135.91        | 310.29        | 169.30                 | 310.43            | 10.86            | 333.97              | 1,054.40               | 218.51         | 31.61         | 2,575.28        |
| <b>As at March 31, 2025</b>             | <b>322.93</b> | <b>330.59</b> | <b>619.34</b>          | <b>448.27</b>     | <b>13.28</b>     | <b>474.24</b>       | <b>1,077.75</b>        | <b>233.20</b>  | <b>34.79</b>  | <b>3,554.39</b> |

Note:

- (i) Refer note 37(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) Refer note 18 for details of property, plant and equipment on which charge has been created.

Notes to Financial Statements (Contd.)

Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

4 CAPITAL WORK IN PROGRESS

|                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| Capital Work In Progress | 126.36                  | 81.49                   |
|                          | <b>126.36</b>           | <b>81.49</b>            |

|  | Amount in Capital Work In Progress for a period |           |           |                      |               |
|--|---|-----------|-----------|----------------------|---------------|
|  | Less than<br>1 year                             | 1-2 years | 2-3 years | More than<br>3 years | Total         |
| <b>Ageing - Capital Work In Progress</b> |   |           |           |                      |               |
| Projects in progress                     |   |           |           |                      |               |
| <b>March 31, 2025</b>                    | <b>126.36</b>                                   | -         | -         | -                    | <b>126.36</b> |
| March 31, 2024                           | 81.49   | -         | -         | -                    | <b>81.49</b>  |

Note:

- (i) There are no projects as Capital Work in Progress as at March 31, 2025 and March 31, 2024 whose completion is overdue or cost of which has exceeded in comparison to its original plan.
- (ii) Capital Work-in-Progress represents Capital expenditure incurred by the Company in respect of new stores that are yet to commence operations as at the reporting date.

5 RIGHT-OF-USE ASSETS

| Particulars                         | Leasehold<br>Building | Total           |
|-------------------------------------|-----------------------|-----------------|
| <b>Balance as at April 01, 2023</b> | <b>4,356.55</b>       | <b>4,356.55</b> |
| Additions for the year              | 1,337.83              | 1,337.83        |
| Disposals for the year              | -                     | -               |
| <b>Balance as at March 31, 2024</b> | <b>5,694.38</b>       | <b>5,694.38</b> |
| Additions for the year              | 3,343.10              | 3,343.10        |
| Disposals for the year              | (3.63)                | (3.63)          |
| <b>Balance as at March 31, 2025</b> | <b>9,033.85</b>       | <b>9,033.85</b> |
| <b>Accumulated depreciation</b>     |                       |                 |
| <b>As at April 01, 2023</b>         | <b>1,004.92</b>       | <b>1,004.92</b> |
| Charge for the year                 | 632.77                | 632.77          |
| <b>As at March 31, 2024</b>         | <b>1,637.69</b>       | <b>1,637.69</b> |
| Charge for the year                 | 727.86                | 727.86          |
| <b>As at March 31, 2025</b>         | <b>2,365.55</b>       | <b>2,365.55</b> |
| <b>Net book value</b>               |                       |                 |
| As at March 31, 2024                | 4,056.69              | 4,056.69        |
| <b>As at March 31, 2025</b>         | <b>6,668.30</b>       | <b>6,668.30</b> |

Note:

The Company has entered into lease agreements for all its leased properties, and the lease deeds have been executed in the name of the Company. However, a few of these lease deeds have not yet been registered with the appropriate statutory authorities as at the reporting date.

The management has initiated the necessary procedures for registration. Based on the assessment of the management, the non-registration of these lease deeds does not have any material impact on the carrying value of the ROU assets recognised or the operations of the Company.

Notes to Financial Statements (Contd.)

Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

6 INVESTMENT PROPERTY

| Particulars                           | Land          | Total         |
|---------------------------------------|---------------|---------------|
| <b>Balance as at April 01, 2023</b>   | <b>525.79</b> | <b>525.79</b> |
| Additions during the year             | -             | -             |
| Disposals/adjustments during the year | -             | -             |
| <b>Balance as at March 31, 2024</b>   | <b>525.79</b> | <b>525.79</b> |
| Additions during the year             | -             | -             |
| Disposals/adjustments during the year | -             | -             |
| <b>Balance as at March 31, 2025</b>   | <b>525.79</b> | <b>525.79</b> |
| <b>Accumulated depreciation</b>       |               |               |
| <b>As at April 01, 2023</b>           | -             | -             |
| Charge for the year                   | -             | -             |
| Deletions/Disposals                   | -             | -             |
| <b>As at March 31, 2024</b>           | -             | -             |
| Charge for the year                   | -             | -             |
| Deletions/Disposals                   | -             | -             |
| <b>As at March 31, 2025</b>           | -             | -             |
| <b>Net carrying amount</b>            |               |               |
| As at March 31, 2024                  | 525.79        | 525.79        |
| <b>As at March 31, 2025</b>           | <b>525.79</b> | <b>525.79</b> |

Note :

The Company has obtained an independent valuation for its investment property as at March 31, 2025. The valuation has been carried out considering the best estimate of fair value based on current prices in an active market for similar properties. Accordingly, the fair value of the investment property as at March 31, 2025 is Rs. 1,339.38 million.

7 INTANGIBLE ASSETS

| Particulars                           | Software     | Total        |
|---------------------------------------|--------------|--------------|
| <b>Balance as at April 01, 2023</b>   | <b>27.70</b> | <b>27.70</b> |
| Additions during the year             | 16.46        | 16.46        |
| Disposals for the year                | -            | -            |
| <b>Balance as at March 31, 2024</b>   | <b>44.16</b> | <b>44.16</b> |
| Additions during the year             | 12.13        | 12.13        |
| Disposals for the year                | -            | -            |
| <b>Balance as at March 31, 2025</b>   | <b>56.29</b> | <b>56.29</b> |
| <b>Accumulated amortisation</b>       |              |              |
| <b>As at April 01, 2023</b>           | <b>13.39</b> | <b>13.39</b> |
| Charge for the year                   | 9.34         | 9.34         |
| Accumulated amortisation on Disposals | -            | -            |
| <b>As at March 31, 2024</b>           | <b>22.73</b> | <b>22.73</b> |
| Additions during the year             | 10.40        | 10.40        |
| Disposals for the year                | -            | -            |
| <b>As at March 31, 2025</b>           | <b>33.13</b> | <b>33.13</b> |
| <b>Net Block</b>                      |              |              |
| As at March 31, 2024                  | 21.43        | 21.43        |
| <b>As at March 31, 2025</b>           | <b>23.16</b> | <b>23.16</b> |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**8 OTHER FINANCIAL ASSETS**

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>(i) Non current</b>  |                         |                         |
| Bank deposits with remaining maturity period greater than 12 months | 190.57                  | 61.91                   |
| Finance lease receivables (net)                                     | 288.81                  | 260.95                  |
| Security deposits   |                         |                         |
| With lessor   | 492.87                  | 382.50                  |
| Unsecured, considered doubtful                                      | 1.10                    | 1.10                    |
| With suppliers  | 5.37                    | 2.96                    |
| <b>Total</b>  | <b>978.72</b>           | <b>709.42</b>           |
| <b>(ii) Current</b>   |                         |                         |
| Loans to employees  | 146.14                  | 116.03                  |
| Finance lease receivables (net)                                     | 87.55                   | 95.50                   |
| Insurance claim receivable  | 19.13                   |                         |
| Interest accrued on fixed deposits                                  | 5.34                    | 10.78                   |
| <b>Total</b>  | <b>258.16</b>           | <b>222.31</b>           |

**9 OTHER NON CURRENT ASSETS**

|                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------|-------------------------|-------------------------|
| Capital advances*               | 1,116.35                | 386.05                  |
| Deposits with government bodies | 59.10                   | 50.87                   |
|                                 | <b>1,175.45</b>         | <b>436.92</b>           |

\* Including capital advances with related parties amounting to Rs. 297.5 million as at March 31, 2025, March 31, 2024 (refer note no 40).

**10 DEFERRED TAX ASSETS (NET)**

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| <b>Deferred tax assets/(liabilities), net</b> |                         |                         |
| On Fixed Assets                               | 278.99                  | 225.71                  |
| On ROU Asset                                  | 178.60                  | 141.56                  |
| On Finance Lease Receivable                   | (94.72)                 | (89.72)                 |
| On Security Deposit (Lease)                   | 67.41                   | 46.48                   |
| On Term Loans from Bank                       | (2.03)                  | (1.21)                  |
| On Deferred Income                            | (0.13)                  | (0.11)                  |
| On Provision for Gratuity                     | 61.52                   | 51.51                   |
|   | <b>489.64</b>           | <b>374.22</b>           |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

The following is the analysis of deferred tax assets/(liabilities), net, recognised in the Statement of profit and loss ("SPL") and OCI:

|                             | As at<br>April 01, 2024 | (Charged)/<br>credited to<br>SPL | (Charged)/<br>credited to<br>OCI | As at<br>March 31, 2025 |
|-----------------------------|-------------------------|----------------------------------|----------------------------------|-------------------------|
| On Fixed Assets             | 225.71                  | 53.28                            | -                                | 278.99                  |
| On ROU Asset                | 141.56                  | 37.04                            | -                                | 178.60                  |
| On Finance Lease Receivable | (89.72)                 | (5.00)                           | -                                | (94.72)                 |
| On Security Deposit (Lease) | 46.48                   | 20.93                            | -                                | 67.41                   |
| On Term Loans from Bank     | (1.21)                  | (0.82)                           | -                                | (2.03)                  |
| On Deferred Income          | (0.11)                  | (0.02)                           | -                                | (0.13)                  |
| On Provision for Gratuity   | 51.51                   | 12.58                            | (2.57)                           | 61.52                   |
|                             | <b>374.22</b>           | <b>117.99</b>                    | <b>(2.57)</b>                    | <b>489.64</b>           |

|                             | As at<br>April 01, 2023 | (Charged)/<br>credited to<br>SPL | (Charged)/<br>credited to<br>OCI | As at<br>March 31, 2024 |
|-----------------------------|-------------------------|----------------------------------|----------------------------------|-------------------------|
| On Fixed Assets             | 189.75                  | 35.96                            | -                                | 225.71                  |
| On ROU Asset                | 95.55                   | 46.01                            | -                                | 141.56                  |
| On Finance Lease Receivable | (76.76)                 | (12.96)                          | -                                | (89.72)                 |
| On Security Deposit (Lease) | 36.50                   | 9.98                             | -                                | 46.48                   |
| On Term Loans from Bank     | 1.18                    | (2.39)                           | -                                | (1.21)                  |
| On Deferred Income          | (0.09)                  | (0.02)                           | -                                | (0.11)                  |
| On Provision for Gratuity   | 43.05                   | 11.03                            | (2.57)                           | 51.51                   |
|                             | <b>289.18</b>           | <b>87.61</b>                     | <b>(2.57)</b>                    | <b>374.22</b>           |

**11 INVENTORIES**

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Stock-in-trade (lower of cost and net realisable value) | 5,718.08                | 5,147.15                |
|   | <b>5,718.08</b>         | <b>5,147.15</b>         |

As a part of periodic inventory reconciliations, adjustments for stock variances identified due to stock transfers from warehouse to store locations (in transit) are made in inventory. Such adjustments are recorded based on reconciliation records and in compliance with the Company's accounting policy to ensure an accurate representation of inventory balances.

Note: The above inventories have been hypothecated for the loans taken by the Company. For details, Refer note 18.

**12 TRADE RECEIVABLES**

|  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--|-------------------------|-------------------------|
| Unsecured, considered good                   | 39.38                   | 244.87                  |
| Less: Allowance against expected credit loss | -                       | -                       |
|  | <b>39.38</b>            | <b>244.87</b>           |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**(a) Trade receivables ageing:**

**As at March 31, 2025**

|  | Outstanding for following periods from due date of payment |                    |                   |             |             |                   | Total        |
|--|--|--------------------|-------------------|-------------|-------------|-------------------|--------------|
|  | Not due  | Less than 6 months | 6 months - 1 year | 1-2 years   | 2-3 years   | More than 3 years |              |
| (i) Undisputed trade receivables - considered good                                 | -  | 35.57              | 0.18              | 3.05        | 0.59        | -                 | 39.38        |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | -  | -                  | -                 | -           | -           | -                 | -            |
| (iii) Undisputed trade receivables - credit impaired                               | -  | -                  | -                 | -           | -           | -                 | -            |
| (iv) Disputed trade receivables - considered good                                  | -  | -                  | -                 | -           | -           | -                 | -            |
| (v) Disputed trade receivables - which have significant increase in credit risk    | -  | -                  | -                 | -           | -           | -                 | -            |
| (vi) Disputed trade receivables - credit impaired                                  | -  | -                  | -                 | -           | -           | -                 | -            |
|  | -  | <b>35.57</b>       | <b>0.18</b>       | <b>3.05</b> | <b>0.59</b> | -                 | <b>39.38</b> |

**As at March 31, 2024**

|  | Outstanding for following periods from due date of payment |                    |                   |             |           |                   | Total         |
|--|--|--------------------|-------------------|-------------|-----------|-------------------|---------------|
|  | Not due  | Less than 6 months | 6 months - 1 year | 1-2 years   | 2-3 years | More than 3 years |               |
| (i) Undisputed trade receivables - considered good                                 | -  | 244.60             | 0.13              | 0.14        | -         | -                 | 244.87        |
| (ii) Undisputed trade receivables - which have significant increase in credit risk | -  | -                  | -                 | -           | -         | -                 | -             |
| (iii) Undisputed trade receivables - credit impaired                               | -  | -                  | -                 | -           | -         | -                 | -             |
| (iv) Disputed trade receivables - considered good                                  | -  | -                  | -                 | -           | -         | -                 | -             |
| (v) Disputed trade receivables - which have significant increase in credit risk    | -  | -                  | -                 | -           | -         | -                 | -             |
| (vi) Disputed trade receivables - credit impaired                                  | -  | -                  | -                 | -           | -         | -                 | -             |
|  | -  | <b>244.60</b>      | <b>0.13</b>       | <b>0.14</b> | -         | -                 | <b>244.87</b> |

**Note :**

- (i) There are no disputed receivables outstanding as at March 31, 2025 and March 31, 2024.
- (ii) Receivables include amounts outstanding from related parties amounting to Rs. 21.58 million as at March 31, 2025 (March 31, 2024: Rs. 221.81).

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**(b) Movement in the allowance for trade receivables for the year ended March 31, 2025 and March 31, 2024 is as follows:**

|   | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| Opening balance at beginning of the year  | 39.21          | 39.21          |
| Provision made/(reversed) during the year | -              | -              |
| Bad debts written off during the year     | 0.49           | -              |
| <b>Closing balance at end of the year</b> | <b>39.70</b>   | <b>39.21</b>   |

**13 CASH AND CASH EQUIVALENTS**

|                         | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------|----------------------|----------------------|
| Cash on hand            | 88.08                | 110.40               |
| Balances with banks     |                      |                      |
| - In Current accounts   | 32.25                | 231.69               |
| Credit card receivables | 128.45               | 114.14               |
| <b>Total</b>            | <b>248.78</b>        | <b>456.23</b>        |

Cash and cash equivalent balances don't include any amounts which are not available for use by the Company.

**14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS**

|  | As at March 31, 2025 | As at March 31, 2024 |
|--|----------------------|----------------------|
| Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months | 114.19               | 374.23               |
|  | <b>114.19</b>        | <b>374.23</b>        |

**15 OTHER CURRENT ASSETS**

|                                     | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------------|----------------------|----------------------|
| Balances with statutory authorities | 64.76                | 117.20               |
| Prepaid expenses                    | 56.47                | 33.45                |
| Advances to supplier                | 108.05               | -                    |
| IPO Expenses                        | 22.43                | -                    |
| Other Receivables*                  | 61.22                | -                    |
| <b>Total</b>                        | <b>312.93</b>        | <b>150.65</b>        |

\*Other receivables includes consideration receivable from asset transfer and Rent receivables.

**16 EQUITY SHARE CAPITAL**

|   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
|   | Amount               | Amount               |
| <b>Authorised share capital</b>   |                      |                      |
| 75,00,00,000 Equity shares of Rs. 2 each (March 31, 2024: 10,00,00,000 of Rs. 10 each)            | 1,500.00             | 1,000.00             |
| <b>Issued, subscribed and fully paid up</b>   |                      |                      |
| 28,38,50,000 Equity shares of Rs. 2 each (March 31, 2024: 81,10,000 Equity shares of Rs. 10 each) | 567.70               | 81.10                |
|   | <b>567.70</b>        | <b>81.10</b>         |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**(i) Reconciliation of the authorised share capital at the beginning and at the end of the year:**

|   | March 31, 2025 |          | March 31, 2024 |          |
|---|----------------|----------|----------------|----------|
|   | Number         | Amount   | Number         | Amount   |
| Outstanding at the beginning of the year  | 10,00,00,000   | 1,000.00 | 90,00,000      | 90.00    |
| Changes during the year due to additions made<br>(Refer note: b - for March 31, 2025; note: a - for March 31, 2024) | 5,00,00,000    | 500.00   | 9,10,00,000    | 910.00   |
| Changes during the year due to Split<br>(Refer note: c)   | 60,00,00,000   | -        |                |          |
| Outstanding at the end of the year  | 75,00,00,000   | 1,500.00 | 10,00,00,000   | 1,000.00 |

- a) The Company has increased the authorised share capital from Rs. 9,00,00,000 divided into 90,00,000 Equity Shares of face value of Rs. 10 each to Rs. 1,00,00,00,000 divided into 10,00,00,000 Equity Shares of face value of Rs. 10 each, pursuant to a ordinary resolution passed in the extraordinary general meeting of the shareholders of the Company held on March 18, 2024.
- b) The Company further increased the authorised share capital from Rs. 1,00,00,00,000 divided into 10,00,00,000 Equity Shares of face value of Rs. 10 each to Rs. 1,50,00,00,000 divided into 15,00,00,000 Equity Shares of face value of Rs. 10 each, pursuant to a ordinary resolution passed in the extraordinary general meeting of the shareholders of the Company held on January 21, 2025.
- c) Sub-division of the Authorised Share Capital consisting of 15,00,00,000 equity shares of the Company having face value of 10 each into 75,00,00,000 equity shares of face value of 2 each w.e.f., February 27, 2025 resulting in increase of 60,00,00,000 shares. without altering the aggregate amount of the same.

**(ii) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:**

|   | March 31, 2025      |               | March 31, 2024   |              |
|---|---------------------|---------------|------------------|--------------|
|   | Number              | Amount        | Number           | Amount       |
| <b>Equity shares of Rs. 2 each (March 31, 2024: Equity shares of Rs. 10 each)</b> |                     |               |                  |              |
| Balance at the beginning of the year  | 81,10,000           | 81.10         | 81,10,000        | 81.10        |
| Add: Impact of shares split<br>(Refer note: d)                                    | 3,24,40,000         | -             | -                | -            |
| Add: Issue of bonus shares<br>(Refer note: e)                                     | 24,33,00,000        | 486.60        | -                | -            |
| Less: Buy back of shares during the year  | -                   | -             | -                | -            |
| <b>Balance at the end of the year</b>   | <b>28,38,50,000</b> | <b>567.70</b> | <b>81,10,000</b> | <b>81.10</b> |

- d) Pursuant to a resolution passed by the Board of Directors and Shareholders of the Company dated February 27, 2025 and March 01, 2025 respectively, each equity shares of face value of Rs. 10 each of the Company has been split into five Equity Shares of face value of Rs. 2 each. Accordingly, the issued, subscribed and paid up capital of the Company has been sub-divided from 81,10,000 equity shares of face value of Rs. 10 each to 4,05,50,000 Equity Shares of face value of Rs. 2 each.
- e) The Company has allotted 24,33,00,000 equity shares of face value of Rs. 2 each as bonus shares in proportion of 6 new bonus equity shares of face value of Rs. 2 each for every one equity share of face value of Rs. 10 each. This bonus issue has been approved by the Board of Directors and Shareholders of the Company on February 27, 2025 and March 01, 2025 respectively.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**(iii) Rights, preferences and restrictions attached to equity shares:**

The Company has only one class of issued, subscribed and paid up equity shares having a par value of Rs. 2 each per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

During the period ended March 31, 2025, no dividend is declared by the Board of Directors (March 31, 2024 : NIL).

**(iv) Details of shareholders holding more than 5% shares in the Company:**

| Name of the equity shareholders | March 31, 2025      |               | March 31, 2024   |               |
|---------------------------------|---------------------|---------------|------------------|---------------|
|                                 | Number              | % holding     | Number           | % holding     |
| Potti Venkateswarlu             | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%         |
| Seerna Rajamouli                | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%         |
| Tiruvedhula Prasada Rao         | 2,27,08,000         | 8.00%         | 6,48,800         | 8.00%         |
| Gourishetty Lalitha             | 2,55,46,500         | 9.00%         | 8,11,000         | 10.00%        |
| Potti Malathi Lakshmi Kumari    | 2,27,08,000         | 8.00%         | 16,22,000        | 20.00%        |
| Potti Venkata Sai Abhinay       | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%         |
| Maturu Venkata Lakshmi Sindhu   | 1,41,92,500         | 5.00%         | 4,05,500         | 5.00%         |
| Potti Venkata Lakshmi Spandana  | 1,41,92,500         | 5.00%         | 4,05,500         | 5.00%         |
| Seerna Suresh                   | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%         |
| Tiruvedhula Rakesh              | 1,70,31,000         | 6.00%         | 4,86,600         | 6.00%         |
| Tiruvedhula Keshav Gupta        | 1,70,31,000         | 6.00%         | 4,86,600         | 6.00%         |
| Potti Rachana Sree              | 1,70,31,000         | 6.00%         | -                | 0.00%         |
| Potti Venkata Lakshmi Greeshma  | 1,70,31,000         | 6.00%         | -                | 0.00%         |
|                                 | <b>26,96,57,500</b> | <b>95.00%</b> | <b>77,85,600</b> | <b>96.00%</b> |

**(v) Details of shareholding of promoters:**

| Name of promoter *             | March 31, 2025      |               | March 31, 2024   |                | % of change during the year |
|--------------------------------|---------------------|---------------|------------------|----------------|-----------------------------|
|                                | Number              | % holding     | No of shares     | % holding      |                             |
| Potti Venkateswarlu            | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%          | 0.00%                       |
| Seerna Rajamouli               | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%          | 0.00%                       |
| Potti Malathi Lakshmi Kumari   | -                   | 0.00%         | 16,22,000        | 20.00%         | (20.00%)                    |
| Tiruvedhula Prasada Rao        | 2,27,08,000         | 8.00%         | 6,48,800         | 8.00%          | 0.00%                       |
| Gowrishetty Lalitha            | -                   | 0.00%         | 8,11,000         | 10.00%         | (10.00%)                    |
| Maturu Venkata Lakshmi Sindhu  | -                   | 0.00%         | 4,05,500         | 5.00%          | (5.00%)                     |
| Potti Venkata Lakshmi Spandana | -                   | 0.00%         | 4,05,500         | 5.00%          | (5.00%)                     |
| Potti Abhinay Venkata Sai      | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%          | 0.00%                       |
| Seerna Suresh                  | 2,55,46,500         | 9.00%         | 7,29,900         | 9.00%          | 0.00%                       |
| Tiruvedhula Rakesh             | 1,70,31,000         | 6.00%         | 4,86,600         | 6.00%          | 0.00%                       |
| Tiruvedhula Keshav Gupta       | 1,70,31,000         | 6.00%         | 4,86,600         | 6.00%          | 0.00%                       |
| Potti Venkata Sujatha          | -                   | 0.00%         | 1,62,200         | 2.00%          | (2.00%)                     |
| Seerna Suvama                  | -                   | 0.00%         | 1,62,200         | 2.00%          | (2.00%)                     |
|                                | <b>15,89,56,000</b> | <b>56.00%</b> | <b>81,10,000</b> | <b>100.00%</b> | <b>(44.00%)</b>             |

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

|                                | March 31, 2024   |             | March 31, 2023   |             | % of change during the year |
|--------------------------------|------------------|-------------|------------------|-------------|-----------------------------|
|                                | Number           | % holding   | No of shares     | % holding   |                             |
| Potti Venkateswarlu            | 7,29,900         | 9.00%       | 24,33,000        | 30.00%      | (21.00%)                    |
| Seerna Rajamouli               | 7,29,900         | 9.00%       | 16,22,000        | 20.00%      | (11.00%)                    |
| Potti Malathi Lakshmi Kumari   | 16,22,000        | 20.00%      | 16,22,000        | 20.00%      | 0.00%                       |
| Tiruvedhula Prasada Rao        | 6,48,800         | 8.00%       | 16,22,000        | 20.00%      | (12.00%)                    |
| Gourishetty Lalitha            | 8,11,000         | 10.00%      | 8,11,000         | 10.00%      | 0.00%                       |
| Maturu Venkata Lakshmi Sindhu  | 4,05,500         | 5.00%       | -                | 0.00%       | 5.00%                       |
| Potti Venkata Lakshmi Spandana | 4,05,500         | 5.00%       | -                | 0.00%       | 5.00%                       |
| Potti Venkata Sai Abhinay      | 7,29,900         | 9.00%       | -                | 0.00%       | 9.00%                       |
| Seerna Suresh                  | 7,29,900         | 9.00%       | -                | 0.00%       | 9.00%                       |
| Tiruvedhula Rakesh             | 4,86,600         | 6.00%       | -                | 0.00%       | 6.00%                       |
| Tiruvedhula Keshav Gupta       | 4,86,600         | 6.00%       | -                | 0.00%       | 6.00%                       |
| Potti Venkata Sujatha          | 1,62,200         | 2.00%       | -                | 0.00%       | 2.00%                       |
| Seerna Suvama                  | 1,62,200         | 2.00%       | -                | 0.00%       | 2.00%                       |
|                                | <b>81,10,000</b> | <b>100%</b> | <b>81,10,000</b> | <b>100%</b> | <b>0%</b>                   |

\*Details of promoters are identified based on the information submitted in the Annual Returns, to be filed in accordance with the provisions of Section 92 of the Companies Act, 2013.

## 17 OTHER EQUITY

|   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| <b>Reserve and surplus</b>  |                      |                      |
| Opening balance   | 3,443.96             | 2,827.15             |
| Profit for the year   | 1,044.21             | 616.74               |
| Less: Amount utilised for bonus issue (Refer note 16(ii)(e))      | (486.60)             | -                    |
| Add: Adjustments on account of transition to Ind AS               | -                    | -                    |
| Add: Loyalty rewards written off in the books                     | -                    | 0.07                 |
| <b>Closing balance</b>  | <b>4,001.57</b>      | <b>3,443.96</b>      |
| <b>Other comprehensive income</b>                                 |                      |                      |
| Re-measurement gains/(losses) on defined benefit plans net of tax |                      |                      |
| Opening balance   | (7.99)               | (15.63)              |
| Re-measurement gains on defined benefit plans (net of taxes)      | 7.65                 | 7.64                 |
| <b>Closing balance</b>  | <b>(0.34)</b>        | <b>(7.99)</b>        |
| Retained earnings   | 4,001.57             | 3,443.96             |
| Other comprehensive income  | (0.34)               | (7.99)               |
| <b>Total other equity</b>   | <b>4,001.23</b>      | <b>3,435.97</b>      |

**Retained earnings:** Retained earnings comprise of accumulated undistributed profits/(losses) after taxes.

**Remeasurement gain/(loss) on defined benefit plans:** The cumulative balances of gains/(losses) arising on remeasurement of defined benefit plan is accumulated and recognised within this component of other comprehensive income. This item will not be reclassified subsequently to statement of profit and loss.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

## 18 BORROWINGS

|   | As at March 31, 2025 | As at March 31, 2024 |
|---|----------------------|----------------------|
| <b>(i) Non-current</b>                        |                      |                      |
| <b>Secured</b>                                |                      |                      |
| Term Loans from banks                         | 1,516.85             | 1,001.13             |
| Loans from non banking financial institutions | 120.33               | 115.22               |
|   | <b>1,637.18</b>      | <b>1,116.35</b>      |
| <b>(ii) Current</b>                           |                      |                      |
| Working capital loans from banks              | 1,211.43             | 1,110.06             |
| Current maturities of non-current loans       | 484.79               | 318.13               |
| Unsecured loans                               | 16.92                | 12.75                |
|   | <b>1,713.14</b>      | <b>1,440.94</b>      |

### Foot note

#### Details of nature of security and terms of repayment for non current and current borrowings -

A. SBI Bank Working Capital and Term Loan: The above loan from Bank includes, Cash Credit and Term Loan from SBI which is secured by Primary and Collateral Securities as detailed below. Cash Credit (including Working Capital Loan) is sanctioned for Rs. 750 million at interest rate based on the Credit Risk Assessment, ECR of the borrower and the MCLR at its discretion. The GECL Term Loan Sanctioned Rs. 124.4 million and repayable in 48 equated monthly installments of Rs. 2.59 million (excluding interest) commencing from February 2022 at interest rate of 6 months MCLR linked + Spread of 0.35%.

#### Primary Security :

- Pari-Passu first charge by way of Hypothecation of entire current assets of the Company, both present and future, with other WC lenders/Banks.
- Extension of charge (2<sup>nd</sup> charge) on the entire current assets of the Company, both present and future.

**Collateral Security :** Exclusive first charge by way of mortgage of immovable properties/assets listed below:

- 850 sq. yards of land and building thereon bearing H No 4-1-372, 4-1-373, 4-1-374, 4-1-382 and 4-1-383 situated at Abids, Hyderabad belonging to Shri Venkateswara Enterprises represented by Mr. P Venkateswarlu, Mr. S Raja Mouli, Mr. P Satyanarayana, Mr. T Prasada Rao, Ms. P V Sujatha and Ms. S Suvarna (Holding 95 sq. yds each), Ms. P M L Kumari and Ms. T V S Padmavathi (Holding 75 sq. yds each). Mr. P. Venkateswarlu (HUF) and Mr. S. Rajamouli (HUF) (Holding 65 Sq. yds each). Total Extent: 850 sq. yards.
  - Building bearing MCH Nos. 4-1-372, 373 and 374 known as Das Estate, Abids, Hyderabad - 500001 with built up area of 960 Sq. ft. with undivided share of land admeasuring 42.36 Sq. yards. situated at Abids, Hyderabad belonging to Mr P. Venkateswarlu s/o Bapa Rao, Mr S. Raja Mouli s/o Vishwanatham, Mr. T.Prasad Rao s/o Krishna Murthy and Mr. P. Satyanarayana s/o Bapa Rao.
  - EM of Plot no. 307 with building thereon situated at Jubilee Hills Cooperative building layout, Survey. No. 403/1, New 120, Shaikpet Village at Survey no 102/1, Hakimpet, Golconda, Hyderabad standing in the name of Mr S Rajamouli. admeasuring 1194 Sq. yards.
  - First Charge on unencumbered fixed assets of the Company.
  - Cash collateral in form of Fixed Deposits to the tune of Rs. 80.00 million in the name of the Company. Lien will be marked on the fixed deposit.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### Personal Guarantee :

Sirna Rajamouli, Sujatha Potti, Tiruveedhula Keshav Gupta, Venkateswarlu Potti, Prasada Rao Tiruvidula, Suvarna Seerna, Malathi Potti, Rakesh Tiruveedhula.

- B. ICICI Bank Working Capital and Term Loan: The above loan from Bank includes, Cash Credit and Term Loans from ICICI Bank which is secured by primary and collateral securities as detailed below. Cash Credit (including Working Capital Loan) is sanctioned for Rs. 250.00 million at interest rate of 6 months MCLR. Term Loan is sanctioned at Rs. 500.00 million and repayable in 60 monthly instalments of Rs. 8.33 million (excluding interest) commencing from December 2023 at an interest rate of 1 year MCLR + Spread of 0.20%. And another Term Loan sanctioned at Rs. 400.00 million and disbursed at Rs. 350.00 million which is repayable in 60 monthly installments of Rs. 5.83 million (excluding interest) commencing from March 2025 at an interest rate of 1 year MCLR + spread of 0.10%.

#### Primary Security :

1. Current Assets - First Paripassu Charge
2. Movable Fixed Assets - First Paripassu Charge

#### Collateral Security :

1. Fixed Deposits - Exclusive Charge
2. Immovable Fixed Assets - Exclusive Charge

#### Personal Guarantee :

Seerna Raja Mouli, Tiruveedhula Prasada Rao, Venkateswarlu Potti, P Malathi Lakshmi Kumari

- C. CANARA Bank Working Capital and Term Loan: The above loan from Bank includes, Cash Credit and Term Loan from CANARA Bank which is secured by primary and collateral securities as detailed below. Cash Credit is sanctioned for Rs. 350.00 million at interest rate of 1 year MCLR. The Term Loan is at sanctioned Rs. 450.00 million, of which Rs. 334.47 million has been disbursed, which is repayable in 48 monthly instalments of Rs. 6.97 million (excluding interest) (excluding interest) commencing from June 2024 at an interest rate of 1 year MCLR.

#### Primary Security :

1. Stocks of all kinds in all showrooms of the Company - First Paripassu Charge under MBA
2. Exclusive charge by way of hypothecation of Showcases, Furniture & Fixtures and other fixed assets of showrooms financed by us.

#### Collateral Security :

1. MODTD of Open plot admeasuring 8552 sq.yards situated at Sanath Nagar Industrial Estate, Hyderabad in the name of the Company.

#### Personal Guarantee :

T Prasada Rao, S Rajamouli, P Venkateswarlu, Rakesh Tiruveedhula, Seerna Suresh, Keshav Gupta Tiruveedhula, Venkata Sai Abhinay Potti.

- D. HDFC Bank Working Capital : The above loan from Bank includes, Cash Credit (including Working Capital Loan) from HDFC Bank which is secured by primary securities as detailed below. The Cash Credit is sanctioned at Rs. 150.00 million at an interest rate of 9.00%.

#### Primary Security :

1. Book Debts - First Paripassu charge on Book Debts both present and future under multiple banking arrangement with SBI.
2. Stocks/Inventory - First Paripassu charge on Stocks both present and future under multiple banking arrangement with SBI.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

3. Commercial Property: Exclusive Charged Commercial property Unit No. 2, 3, 4, 6, Ground Floor, Unit No. 1 & 2, 1<sup>st</sup> Floor, Part of Unit No.1 & Part of Unit No. 2, 2<sup>nd</sup> Floor, Imperial Towers, GHMC No. 7-1-617/A,615 and 616, Sy No. 238 Part and 242 Part, Ameerpet, Hyderabad, Telangana 500082 in the name of Mr.Potti Venkateswarlu, Mr.Seerna Rajamouli, Mrs. Malathi Lakshmi Kumari, Mr. Potti & Mr. Tiruveedhula Prasada Rao.
4. Furniture and fixtures - Exclusive charge on fixed assets.

#### Personal Guarantee :

Mr. Venkateswarlu Potti, Mr. Tiruveedhula Prasada Rao, Mr.Seerna Raja Mouli, Mrs Malathi Lakshmi Kumari.

- E. HDFC Bank Term Loan : The above loan from Bank includes, Term Loan from HDFC Bank which is secured by primary securities as detailed below. The Term Loan is sanctioned at Rs. 300.00 million, repayable in 84 monthly instalments of Rs. 4.87 million, commencing from July'2024 at an interest rate of Policy Repo Rate (Reference Rate) and Spread of 2.8%.

#### Primary Security:

#### Commercial Property:

All that part and parcel of commercial space Unit No. 101, 102, 103 and 104 in the Stilt Floor, Unit No. 201, 202, 203 and 204 in the Ground Floor, Unit No. 301, 302, 303 and 304 in the First Floor, Unit No. 401 in the Second Floor and Unit No. 501 in the Third Floor; with proportionate undivided share of land admeasuring 1760.09 Sq. yards out of the total extent of 3267 Sq. yards of GHMC No. 11-13-1428/8, 11-13-1428/9, 11-13-1428/12, 11-13-1428/13 and 11-12-1428/14, on Plot Nos. 8, 9 and 10, in Survey No. 7/C, Ward No. 11, Block No. 13, Situated at NH-9, Margadarshi Colony of Saroor Nagar Village, Saroor Nagar Revenue Mandal, Ranga Reddy District, Under GHMC, L.B. Nagar Circle, Telangana State.

- F. HDFC Bank Term Loan : The above loan from Bank includes, Term Loan from HDFC Bank which is secured by primary securities as detailed below. The Term Loan is sanctioned at Rs. 32.3 million, repayable in 84 monthly instalments of Rs. 0.53 million commencing from December'24 at an interest rate of Policy Repo Rate (Reference Rate) and Spread of 3%.

#### Primary Security

Commercial Property: Commercial property at S R Nagar of 4625 Sq. Fts Unit No.104 on the First Floor in IMPERIAL TOWERS with an undivided share of land measuring 115 sq. yards out of total land of 5778 sq. yards in GHMC Nos. 7-1-617/A, 7-1-615 and 7-1-616 in Sy Nos 238(P) and 242 (P) situated at Ameerpet, Hyderabad, Telangana State.

- G. HDFC Bank Term Loan : The above loan from Bank includes, Term Loan from HDFC Bank which is secured by securities and guarantees as detailed below. The Term Loan is sanctioned at Rs. 433.12 million, repayable in 5 years commencing from February'25 at an interest rate of 9%.

#### Primary Security :

1. Furniture And Fixture - Exclusive charge on fixed assets.
2. Property: Exclusively charged Commercial property Unit No. 2, 3, 4, 6, Ground Floor, Unit No. 1 & 2, 1<sup>st</sup> Floor, Part of Unit No.1 & Part of Unit No.2 2<sup>nd</sup> Floor, Imperial Towers, GHMC No. 7-1-617/A,615 and 616, Sy No. 238 Part and 242 Part, Ameerpet, Hyderabad, Telangana 500082 in the name of Mr.Potti Venkateswarlu, Mr.Seerna Rajamouli, Mrs. Malathi Lakshmi Kumari, Mr. Potti & Mr. Tiruveedhula Prasada Rao.

#### Personal Guarantee :

Mr. Venkateswarlu Potti, Mr. Tiruveedhula Prasada Rao, Mr. Seerna Raja Mouli, Mrs Malathi Lakshmi Kumari.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

- H. HDFC Bank Term Loan : The above loan from Bank includes, Term Loan from HDFC Bank which is secured by securities and guarantees as detailed below. The Term Loan is sanctioned at Rs. 83.5 million, repayable in 84 monthly installments commencing from April 2025 at an interest rate of Policy Repo Rate (Reference Rate) and spread of 3.25%.

#### Primary Security :

#### Commercial Property:

All that Unit No. G-5, G-6, G-7 and G-8 on the Ground Floor and Unit No. 104 and 105/a, on the first floor of "Pavani Prestige" Commercial Building Complex bearing M.No. 6-3-789/G-5, G-6, G-7, G-8, 104 and 105/a; with undivided share of land measuring 220 square yards, out of land admeasuring 6005 sq. yards forming part of Sy. No. 91/1 corresponding to T.S. No. 17 of Ward No. 5, Block "H" situated at Ameerpet, Hyderabad.

- I. Kotak Mahindra Bank Term Loan : The above loan from Bank includes, Term Loan from Kotak Mahindra Bank which is secured by the primary securities as detailed below. The term loan is sanctioned at Rs. 85.42 million, repayable in 144 monthly instalments of Rs. 1.01 million commencing from October 2025 at an interest rate of 6 months MCLR linked and a spread of 0.45%.

#### Primary Security :

All That Part And Parcel Of Open Plot Of Land Adm.928.40 Sq.Yards Equivalent To 776.14 Sq.Meters Forming Part Of Land Bearing Sy.No.55/C, Situated At Peerzadiguda Revenue Village, Medipally Revenue Mandal, Medchal-Malkajiri District, Within The Municipal Limits of Peerzadiguda Municipality.

- J. Kotak Mahindra Bank Term Loan : The above loan from Bank includes, Term Loan from Kotak Mahindra Bank which is secured by the primary securities as detailed below. The term loan is sanctioned at Rs. 70.00 million, repayable in 120 monthly instalments of Rs. 0.89 million commencing from September'23 at an interest rate of REPO rate and spread of 2.5%.

#### Primary Security :

All that site admeasuring an extent of 590 sq. yards or 593.502 sq. meters bearing Plot No. 35/C together with building constructed thereon with a plinth area of 13,888 sq. fts, having Cellar (3,196 sq. fts), Ground Floor (3,425 sq. fts), First Floor (3,425 sq. fts), Second Floor (3,425 sq. fts), Pent House (417 sq. fts), bearing Old D. no. 28-2-51/1, Old Asst No. 18029 with New D no. 28-2-51/4, New Asst No. 1086180607, D. No. 28-2-51/5 New Asst No. 1086180616 & 28-2-51/6, New Asst No. 1086180924, Old Asst No. 18785, 18794 & 19091, and presently in Division No. 13 covered by Block no. 47, Old TS No. 1678, New TS no. 1678/8 of Allipuram Ward, near Jagadamba Junction, Suryabagh within the limits of Greater Vishakapatnam Municipal Corporation area covered by document no 3471/1986. 819/1998 and 5711/2010.

- K. HDFC Vehicle Loans: The above loan from Banks includes, Vehicles Loans from HDFC Bank which is secured by Vehicles with an aggregate carrying value of Rs. 80.62 million. The loans were sanctioned at Rs. 130.87 million for 43 Vehicle Loans, with total monthly installments of Rs. 3.02 million.
- L. ICICI Vehicle Loans: The above loan from Banks includes, Vehicles Loans from ICICI Bank which is secured by Vehicles with an aggregate carrying value of Rs. 32.85 million. The loans were sanctioned at Rs. 47.5 million for 8 Vehicle Loans, with total monthly installments of Rs. 1.39 million.
- M. Kotak Mahindra Vehicle Loans: The above loan from Banks includes, Vehicles Loans from Kotak Mahindra Bank which is secured by Vehicles with an aggregate carrying value of Rs. 58.28 million. The loans were sanctioned at Rs. 88.57 million for 8 Vehicle Loans, with total monthly installments of Rs. 2.43 million.
- N. Mercedes Benz Financial Services Vehicle Loans: The above loan from Banks includes, Vehicles Loans from Mercedes Benz Financial Services which is secured by Vehicles with an aggregate carrying value of Rs. 21.38 million. The loans were sanctioned at Rs. 21.17 million for 2 Vehicle Loans, with total monthly installments of Rs. 0.67 million.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

- O. BMW Financial Services Vehicle Loans: The above loan from Banks includes, Vehicles Loans from BMW Financial Services which is secured by Vehicles with an aggregate carrying value of Rs. 14.04 million. The loans were sanctioned at Rs. 15.00 million for 1 Vehicle Loans, with total monthly installments of Rs. 0.47 million.

The cash credit facilities and working capital demand loans are secured by hypothecation of all inventories including those in transit, receivables, book debts on pari passu basis, equitable mortgage.

## 19 LEASE LIABILITIES

|                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| <b>(i) Non-current</b> |                         |                         |
| lease liabilities      | 6,918.00                | 4,124.41                |
| <b>Total</b>           | <b>6,918.00</b>         | <b>4,124.41</b>         |
| <b>(ii) Current</b>    |                         |                         |
| lease liabilities      | 459.94                  | 494.74                  |
| <b>Total</b>           | <b>459.94</b>           | <b>494.74</b>           |

## 20 OTHER FINANCIAL LIABILITIES

|                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------|-------------------------|-------------------------|
| <b>(i) Non-current</b>            |                         |                         |
| <b>Unsecured, considered good</b> |                         |                         |
| Security deposit payable          | 11.79                   | 13.87                   |
|                                   | <b>11.79</b>            | <b>13.87</b>            |
| <b>(ii) Current</b>               |                         |                         |
| <b>Unsecured, considered good</b> |                         |                         |
| Creditors for expenses            | 520.73                  | 410.57                  |
|                                   | <b>520.73</b>           | <b>410.57</b>           |

## 21 OTHER NON-CURRENT LIABILITIES

|                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------|-------------------------|-------------------------|
| Deferred Income | 4.22                    | 3.49                    |
|                 | <b>4.22</b>             | <b>3.49</b>             |

## 22 PROVISIONS

|                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------|-------------------------|-------------------------|
| <b>(i) Non-current</b> |                         |                         |
| Provision for gratuity | 224.76                  | 187.88                  |
|                        | <b>224.76</b>           | <b>187.88</b>           |
| <b>(ii) Current</b>    |                         |                         |
| Provision for gratuity | 19.65                   | 16.77                   |
|                        | <b>19.65</b>            | <b>16.77</b>            |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**23 TRADE PAYABLES**

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| - total outstanding dues of micro and small enterprises; (MSME)                       | 625.95                  | 1,789.81                |
| - total outstanding dues of creditors other than micro and small enterprises (Others) | 3,076.14                | 2,051.08                |
|   | <b>3,702.09</b>         | <b>3,840.89</b>         |

**Ageing schedule for trade payables:**

| As at March 31, 2025  | Outstanding for following periods from due date of payment |                  |               |              |                   |                 |
|---|--|------------------|---------------|--------------|-------------------|-----------------|
|   | Not due  | Less than 1 year | 1-2 years     | 2-3 years    | More than 3 years | Total           |
| (i) Total outstanding dues of micro and small enterprises                       | -  | 623.98           | 1.90          | 0.07         | -                 | 625.95          |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | -  | 2,880.91         | 165.71        | 28.93        | 0.59              | 3,076.14        |
| (iii) Disputed dues of micro and small enterprises                              | -  | -                | -             | -            | -                 | -               |
| (iv) Disputed dues of creditors other than micro and small enterprises          | -  | -                | -             | -            | -                 | -               |
|   | <b>-</b>   | <b>3,504.89</b>  | <b>167.61</b> | <b>29.00</b> | <b>0.59</b>       | <b>3,702.09</b> |

| As at March 31, 2024  | Outstanding for following periods from due date of payment |                  |           |           |                   |                 |
|---|--|------------------|-----------|-----------|-------------------|-----------------|
|   | Not due  | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total           |
| (i) Total outstanding dues of micro and small enterprises                       | -  | 1,789.81         | -         | -         | -                 | 1,789.81        |
| (ii) Total outstanding dues of creditors other than micro and small enterprises | -  | 2,051.08         | -         | -         | -                 | 2,051.08        |
| (iii) Disputed dues of micro and small enterprises                              | -  | -                | -         | -         | -                 | -               |
| (iv) Disputed dues of creditors other than micro and small enterprises          | -  | -                | -         | -         | -                 | -               |
|   | <b>-</b>   | <b>3,840.89</b>  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>3,840.89</b> |

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| (i) The principal amount remaining unpaid as at the end of the year   | 625.95                  | 1,789.81                |
| (ii) The amount of interest accrued and remaining unpaid on (i) above | 0.99                    | -                       |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| (iii) Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year.  | -                       | -                       |
| (iv) The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid).   | -                       | -                       |
| (v) The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006. | -                       | -                       |

**24 OTHER CURRENT LIABILITIES**

|                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Employee benefits payable | 206.62                  | 119.42                  |
| Statutory liabilities     | 62.95                   | 42.87                   |
|                           | <b>269.57</b>           | <b>162.29</b>           |

**25 CURRENT TAX LIABILITIES (NET)**

|   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---|-------------------------|-------------------------|
| Provision for tax, net of advance taxes | 183.33                  | 47.41                   |
| <b>Total</b>                            | <b>183.33</b>           | <b>47.41</b>            |

**26 REVENUE FROM OPERATIONS**

|                            | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|----------------------------|--------------------------------------|--------------------------------------|
| Revenue from sale of goods | 26,939.44                            | 24,579.91                            |
|                            | <b>26,939.44</b>                     | <b>24,579.91</b>                     |

**27 OTHER INCOME**

|   | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Rental income                                 | 34.28                                | 26.02                                |
| Gain on sale of property, plant and equipment | -                                    | -                                    |
| Interest income on deposits                   | 46.39                                | 35.02                                |
| Interest income - Others                      | -                                    | 18.86                                |
| Gain on derecognition of right of use assets  | 61.47                                | 43.41                                |
| Interest income of finance lease receivable   | 34.60                                | 31.00                                |
| Remeasurement of Lease Receivable             | 42.16                                | 48.52                                |
| Insurance claims received                     | 0.83                                 | -                                    |
| Miscellaneous income                          | 23.89                                | 8.44                                 |
| Gain on de-recognition of term loans          | 0.29                                 | -                                    |
|   | <b>243.91</b>                        | <b>211.27</b>                        |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**28 PURCHASES OF STOCK IN TRADE**

|                             | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-----------------------------|--------------------------------------|--------------------------------------|
| Purchases of stock in trade | 17,474.63                            | 16,572.20                            |
|                             | <b>17,474.63</b>                     | <b>16,572.20</b>                     |

**29 CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

|                                   | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Opening stock                     | 5,147.15                             | 4,443.54                             |
| Less: Goods destroyed due to fire | (90.66)                              | -                                    |
| Less: Closing stock               | (5,718.08)                           | (5,147.15)                           |
|                                   | <b>(661.59)</b>                      | <b>(703.61)</b>                      |

**30 EMPLOYEE BENEFITS EXPENSE**

|  | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Salaries and wages                             | 2,890.07                             | 2,388.77                             |
| Bonus  | 134.69                               | 113.71                               |
| Contribution to provident fund and other funds | 188.70                               | 158.40                               |
| Staff welfare expenses                         | 80.65                                | 88.50                                |
| Gratuity expenses                              | 62.78                                | 54.16                                |
| Workmen compensation                           | 0.94                                 | 0.70                                 |
|  | <b>3,357.83</b>                      | <b>2,804.24</b>                      |

**31 FINANCE COSTS**

|                                     | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-------------------------------------|--------------------------------------|--------------------------------------|
| Interest expense on borrowings      | 288.53                               | 165.64                               |
| Interest on lease liabilities       | 556.68                               | 408.80                               |
| Interest on Security deposits taken | 0.83                                 | 0.67                                 |
| Other borrowing costs               | 91.00                                | 118.79                               |
| Interest on MSME                    | 0.99                                 | -                                    |
|                                     | <b>938.03</b>                        | <b>693.90</b>                        |

**32 DEPRECIATION AND AMORTISATION EXPENSES**

|  | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Depreciation on property, plant and equipment (refer note-3) | 717.87                               | 546.85                               |
| Depreciation on Right of use asset (refer note-5)            | 727.86                               | 632.77                               |
|  | <b>1,445.73</b>                      | <b>1,179.62</b>                      |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**33 OTHER EXPENSES**

|   | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Advertisement                             | 678.94                               | 745.30                               |
| Business promotion expenses               | 309.67                               | 212.28                               |
| Rent                                      | 4.35                                 | 5.46                                 |
| Shop maintenance - house keeping services | 131.22                               | 159.15                               |
| Shop maintenance - security services      | 127.19                               | 95.96                                |
| Show room maintenance                     | 291.69                               | 196.06                               |
| Carriage inwards                          | 201.89                               | 179.41                               |
| Packing material                          | 282.57                               | 262.98                               |
| Electricity charges                       | 497.02                               | 412.65                               |
| Legal and professional charges            | 41.79                                | 514.67                               |
| Insurance                                 | 89.59                                | 162.46                               |
| Interest on delay payments                | 6.08                                 | 9.02                                 |
| Printing and stationery                   | 47.88                                | 40.08                                |
| Travelling and conveyance                 | 52.75                                | 48.41                                |
| Conveyance                                | 14.43                                | 11.45                                |
| Rates and taxes                           | 49.01                                | 33.96                                |
| Communication expenses                    | 7.49                                 | 10.18                                |
| Repairs and maintenance                   |                                      |                                      |
| - Computers                               | 32.30                                | 27.21                                |
| - A C maintenance                         | 9.29                                 | 15.33                                |
| - Electrical                              | 24.04                                | 23.49                                |
| - Generator                               | 19.71                                | 14.52                                |
| - Vehicles                                | 11.70                                | 11.75                                |
| - Lifts                                   | 7.23                                 | 9.85                                 |
| Customer welfare                          | 4.62                                 | 3.71                                 |
| Promotion of education and social welfare | 19.26                                | 13.52                                |
| Auditors remuneration                     | 3.01                                 | 0.83                                 |
| Donations                                 | 33.04                                | 26.31                                |
| Loss due to modification of Sub lease     | 5.42                                 | -                                    |
| Bad Debts Written Off                     | 0.49                                 | -                                    |
| Sitting Fees                              | 0.51                                 | -                                    |
| Loss on sale of Fixed Assets              | 2.61                                 | -                                    |
| Sales commission                          | 23.52                                | -                                    |
|   | <b>3,030.31</b>                      | <b>3,246.00</b>                      |

**(i) Details of payments to auditors:**

|                        | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|------------------------|--------------------------------------|--------------------------------------|
| <b>As auditor:</b>     |                                      |                                      |
| - Statutory audit fees | 3.01                                 | 0.75                                 |
| - Tax audit fee        | -                                    | 0.08                                 |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**(ii) Details of CSR expenditure:**

|  | For the year ended<br>March 31, 2025      | For the year ended<br>March 31, 2024 |
|--|---|--------------------------------------|
| (a) Gross amount required to be spent during the period/year   | 19.23                                     | 13.45                                |
| (b) Amount spent during the period/year  |   |                                      |
| i) Construction/acquisition of any asset   | -   | -                                    |
| ii) on purposes other than (i) above   | 19.26                                     | 13.52                                |
| (c) Amount to be spent in remaining period   | -   | -                                    |
| (d) Shortfall at the end of the year   | -   | -                                    |
| (e) Total of previous years shortfall  | -   | -                                    |
| (f) Nature of CSR activities   | Promotion of education and social welfare |                                      |
| (g) Out of the above note (b), the Company has contributed Rs. 17.45 million for the year ended March 31, 2025 to the R S Brothers Group CSR Foundation, which is a related party. (Refer Note 40) |   |                                      |
| (i) Provision made during the year   | N.A                                       |                                      |

**(iii)** Donations include donations made to political parties amounting to Rs 0.38 million for the year ended March 31, 2025 (For the period ended March 31, 2024 :1.60 million).

**34 NOTE ON RECLASSIFICATION ADJUSTMENTS**

**1 Reclassification adjustments in the Other Equity :**

| Particulars   | As at<br>March 31, 2024 |
|---|-------------------------|
| <b>Other equity as per Previous Audited Financial Statements</b>    | <b>3,417.05</b>         |
| <b>Adjustments:</b>   |                         |
| On account of leases as per Ind AS 116                              | (69.40)                 |
| On account of sub leases as per Ind AS 116                          | 58.27                   |
| On account of loans as per Ind AS 109                               | (0.03)                  |
| On account of security deposits                                     | (78.67)                 |
| On account of security deposits Given                               | (13.04)                 |
| On account of adjustments in (CWIP & PPE)                           | (7.82)                  |
| On account of adjustments in (Gratuity)                             | 10.67                   |
| On account of adjustments in (Trade receivables)                    | (39.20)                 |
| On account of difference in Deferred tax and Current Tax            | 166.13                  |
| Effect of OCI   | (7.99)                  |
| <b>Other Equity as reported in the Current Financial Statements</b> | <b>3,435.97</b>         |

**2 Reclassification adjustments in the Statement of Profit and Loss:**

| Particulars  | For the year ended<br>March 31, 2024 |
|--|--------------------------------------|
| <b>Profit as per Previous Audited Financial Statements</b> | <b>530.96</b>                        |
| <b>Adjustments:</b>  |                                      |
| On account of leases as per Ind AS 116                     | 52.38                                |
| On account of sub leases as per Ind AS 116                 | (24.19)                              |
| On account of loans as per Ind AS 109                      | 9.51                                 |
| On account of security deposits                            | (37.21)                              |
| On account of security deposits Given                      | (9.46)                               |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars   | For the year ended<br>March 31, 2024 |
|---|--------------------------------------|
| On account of adjustments in (CWIP & PPE)                     | 15.38                                |
| On account of adjustments in (Gratuity)                       | (10.21)                              |
| Adjustments due to Current Tax and Deferred Tax               | 89.58                                |
| <b>Profit as reported in the Current Financial Statements</b> | <b>616.74</b>                        |

**3 Reclassification adjustments in the Statement of Assets and Liabilities:**

|   | As at March 31, 2024 |   |  |                |
|---|----------------------|---|--|----------------|
|   | Notes                | As per current year<br>audited financials | As per previous year<br>audited financials | Difference     |
| <b>ASSETS</b>                             |                      |   |  |                |
| <b>Non-current assets</b>                 |                      |   |  |                |
| (a) Property, plant and equipment         | B                    | 2,575.28                                  | 3,190.39                                   | (615.11)       |
| (b) Capital work-in- progress             | B                    | 81.49                                     | -  | 81.49          |
| (c) Right-of-use assets                   | A (ii, iii, iv)      | 4,056.69                                  | 4,162.79                                   | (106.10)       |
| (d) Investment property                   | B                    | 525.79                                    | -  | 525.79         |
| (e) Intangible assets                     |                      | 21.43                                     | 21.43                                      | -              |
| (f) Financial assets                      |                      |   |  | -              |
| (g) Other financial assets                | A (iii, iv), B       | 709.42                                    | 1,297.67                                   | (588.25)       |
| (h) Other non current assets              | B                    | 436.92                                    | -  | 436.92         |
| (i) Deferred tax assets (net)             | A (i)                | 374.22                                    | 203.19                                     | 171.03         |
| <b>Total Non-Current Assets</b>           |                      | <b>8,781.24</b>                           | <b>8,875.47</b>                            | <b>(94.23)</b> |
| <b>Current assets</b>                     |                      |   |  |                |
| (a) Inventories                           |                      | 5,147.15                                  | 5,147.15                                   | -              |
| (b) Financial assets                      |                      |   |  | -              |
| (i) Trade receivables                     | A (viii)             | 244.87                                    | 283.73                                     | (38.86)        |
| (ii) Cash and cash equivalents            | B                    | 456.23                                    | 342.09                                     | 114.14         |
| (iii) Bank balances other than (ii) above | B                    | 374.23                                    | -  | 374.23         |
| (iv) Other financial assets               | A (iii, iv), B       | 222.31                                    | 230.18                                     | (7.87)         |
| (c) Other current assets                  |                      | 150.65                                    | 150.65                                     | -              |
| <b>Total Current Assets</b>               |                      | <b>6,595.44</b>                           | <b>6,153.80</b>                            | <b>441.64</b>  |
| <b>Total assets</b>                       |                      | <b>15,376.68</b>                          | <b>15,029.27</b>                           | <b>347.41</b>  |
| <b>EQUITY AND LIABILITIES</b>             |                      |   |  |                |
| <b>Equity</b>                             |                      |   |  |                |
| (a) Equity share capital                  |                      | 81.10                                     | 81.10                                      | -              |
| (b) Other equity                          | 1                    | 3,435.97                                  | 3,417.05                                   | 18.92          |
| <b>Total Equity</b>                       |                      | <b>3,517.07</b>                           | <b>3,498.15</b>                            | <b>18.92</b>   |
| <b>Liabilities</b>                        |                      |   |  |                |
| <b>Non-current liabilities</b>            |                      |   |  |                |
| (a) Financial liabilities                 |                      |   |  |                |
| (i) Borrowings                            | A (v)                | 1,116.35                                  | 1,116.32                                   | 0.03           |
| (ii) Lease liabilities                    | A (ii)               | 4,124.41                                  | 3,860.28                                   | 264.13         |
| (iii) Other financial liabilities         | A (vii)              | 13.87                                     | 10.83                                      | 3.04           |
| (b) Other non-current liabilities         | A (vii)              | 3.49                                      | -  | 3.49           |
| (c) Provisions                            |                      | 187.88                                    | 187.88                                     | -              |
| <b>Total Non-Current Liabilities</b>      |                      | <b>5,446.00</b>                           | <b>5,175.30</b>                            | <b>270.70</b>  |
| <b>Current liabilities</b>                |                      |   |  |                |
| (a) Financial liabilities                 |                      |   |  |                |
| (i) Borrowings                            |                      | 1,440.94                                  | 1,440.94                                   | -              |
| (ii) Lease liabilities                    | A (ii)               | 494.74                                    | 439.53                                     | 55.21          |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

|  | As at March 31, 2024 |  |   |               |
|--|----------------------|--|---|---------------|
|  | Notes                | As per current year audited financials | As per previous year audited financials | Difference    |
| (iii) Trade payables   |                      |  |   | -             |
| - total outstanding dues of micro and small enterprises;                     |                      | 1,789.81                               | 1,789.81                                | -             |
| - total outstanding dues of creditors other than micro and small enterprises |                      | 2,051.08                               | 2,051.08                                | -             |
| (iv) Other financial liabilities   | B                    | 410.57                                 | 410.22                                  | 0.35          |
| (b) Other current liabilities  |                      | 162.29                                 | 162.29                                  | -             |
| (c) Provisions   |                      | 16.77                                  | 16.77                                   | -             |
| (d) Current tax liabilities (Net)  | A (ix)               | 47.41                                  | 45.18                                   | 2.23          |
| <b>Total Current Liabilities</b>   |                      | <b>6,413.61</b>                        | <b>6,355.82</b>                         | <b>57.79</b>  |
| <b>Total Equity and Liabilities</b>  |                      | <b>15,376.68</b>                       | <b>15,029.27</b>                        | <b>347.41</b> |

**4 Reclassification adjustments in the Statement of Profit and Loss:**

|  | As at March 31, 2024 |  |   |                |
|--|----------------------|--|---|----------------|
|  | Notes                | As per current year audited financials | As per previous year audited financials | Difference     |
| <b>Income</b>  |                      |  |   |                |
| Revenue from operations  |                      | 24,579.91                              | 24,579.91                               | -              |
| Other income   | A (iii, iv)          | 211.27                                 | 277.15                                  | (65.88)        |
| <b>Total income</b>  |                      | <b>24,791.18</b>                       | <b>24,857.06</b>                        | <b>(65.88)</b> |
| <b>Expenses</b>  |                      |  |   |                |
| Purchases of stock in trade  |                      | 16,572.20                              | 16,572.20                               | -              |
| Changes in inventories of stock-in-trade                               |                      | (703.61)                               | (703.61)                                | -              |
| Employee benefits expense  | A (vi)               | 2,804.24                               | 2,815.01                                | (10.77)        |
| Finance costs  | A (ii, iv, v)        | 693.90                                 | 695.19                                  | (1.29)         |
| Depreciation and amortisation expenses                                 | A (ii)               | 1,179.62                               | 1,181.41                                | (1.79)         |
| Other expenses   | A (ii, viii)         | 3,246.00                               | 3,294.22                                | (48.22)        |
| <b>Total expenses</b>  |                      | <b>23,792.35</b>                       | <b>23,854.42</b>                        | <b>(62.07)</b> |
| <b>Profit before exceptional items and tax</b>                         |                      | <b>998.83</b>                          | <b>1,002.64</b>                         | <b>(3.81)</b>  |
| Exceptional Items - Loss due to fire                                   |                      | -                                      | -                                       | -              |
| Profit after exceptional items and before tax                          |                      | <b>998.83</b>                          | <b>1,002.64</b>                         | <b>(3.81)</b>  |
| <b>Tax expenses</b>  |                      |  |   |                |
| Current tax  | A (ix)               | 355.18                                 | 352.95                                  | 2.23           |
| Deferred tax   | A (i)                | (87.61)                                | 4.20                                    | (91.81)        |
| Tax pertaining to earlier years  |                      | 114.52                                 | 114.52                                  | -              |
| <b>Total tax expenses</b>  |                      | <b>382.09</b>                          | <b>471.68</b>                           | <b>(89.59)</b> |
| <b>Profit for the year</b>   |                      | <b>616.74</b>                          | <b>530.97</b>                           | <b>85.78</b>   |
| <b>Other Comprehensive Income/ (loss)</b>                              |                      |  |   |                |
| (i) Items that will not be reclassified subsequently to profit or loss |                      |  |   |                |
| - Re-measurement gains/ (losses) on defined benefit plans              | A (vi)               | 10.21                                  | 20.97                                   | (10.76)        |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

|   | As at March 31, 2024 |  |   |               |
|---|----------------------|--|---|---------------|
|   | Notes                | As per current year audited financials | As per previous year audited financials | Difference    |
| - Income tax effect on the above                                    | A (vi)               | (2.57)                                 | (5.28)                                  | 2.71          |
| (ii) Items that will be reclassified subsequently to profit or loss |                      | -                                      | -                                       | -             |
| <b>Total other comprehensive income/ (loss)</b>                     |                      | <b>7.64</b>                            | <b>15.69</b>                            | <b>(8.05)</b> |
| <b>Total comprehensive income for the year</b>                      |                      | <b>624.38</b>                          | <b>546.66</b>                           | <b>77.73</b>  |

**5 Notes :**

**A Ind AS Adjustments**

**i Deferred tax**

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

**ii On account of leases**

Ind AS 116 introduces a unified lease accounting model where lessees must record most leases on their balance sheet, recognising both a right-of-use asset and a lease liability calculated at net present value of future lease payments. While lessor accounting remains unchanged, these standard shifts lease expense recognition from a pure rental expense to part interest expense, and reclassifies lease liability payments from operating to financing activities in the cash flow statement.

**iii On account of sub leases**

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

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, Lease classification focuses on the head lease's right-of-use asset not with reference to the underlying asset.

Finance leases are recognised as receivables, and income is recognised based on the net investment.

Operating lease payments are recognised as income on a straight-line basis. The Company applies Ind AS 115 for arrangements with both lease and non-lease components and Ind AS 109 for impairment and derecognition of finance leases.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### iv On account of Rental Deposits given to Lessors:

While Indian GAAP recorded refundable interest-free rental deposits at transaction value, Ind AS requires their recognition at fair value. The difference between the fair value and transaction values is recognised as Right-of-use assets and amortised over the lease term.

#### v On account of Borrowings as per Ind AS 109

Under Ind AS 109, Term Loans are classified as financial liabilities and measured at amortised cost, with borrowings restated at transition date using the effective interest method i.e., (transaction value less unamortised portion of transaction costs) and subsequently measured at amortised cost.

#### vi Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian IGAAP, the entire cost, including actuarial gains/losses to the profit and loss statement. In contrast, Ind AS requires remeasurements (comprising actuarial gains/losses, asset ceiling effects, and certain plan asset returns) to be recognised directly in retained earnings through Other Comprehensive Income (OCI) on the balance sheet.

#### vii On account of Rental Deposits taken from Lessees:

Under Indian GAAP, refundable interest-free rental deposits received from lessees in the case of sub-leases are recorded at their transaction value. However, Ind AS mandates the recognition of such deposits at their fair value. The difference between the fair value and the transaction value is accounted for as deferred income and is amortised over the lease term.

#### viii Trade Receivables:

Trade receivables outstanding for several years have been evaluated and determined to be irrecoverable. Consequently, the same have been written off and disclosed under "Other Expenses" in the financial statements.

#### ix Current tax :

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

### B Material regrouping:

Appropriate regroupings have been made in the Statement of Assets and Liabilities, Statement of Profit & Loss and Statement of Cashflows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Financial Statements of the Company for the years ended March 31, 2025 and March 31, 2024 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

### C Non-adjusting items:

**Audit qualifications matter paragraph for the respective years, which do not require any adjustments in the Financial Statements are as follows:**

There are no audit qualifications in auditor's reports on the financial statements for the financial years ended March 31, 2025 and March 31, 2024.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

### 35 TAX EXPENSE

The Company has elected the option provided under Section 115BAA of the Income-tax Act, 1961 for measurement of its income tax expense for the year ended March 31, 2025 and March 31, 2024 and has accordingly recognised the income tax expense at the prescribed domestic effective tax rate of 25.17% (March 31, 2024 : 25.17%). The major components of income tax expense and the reconciliation between expected tax expense based on the domestic effective tax rate and the reported tax expense in the statement of profit and loss is as follows:

#### (i) Income tax expense reported in the Statement of Profit and Loss

| Particulars  | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| Current tax expense  | 507.57                               | 355.18                               |
| Deferred tax expense   | (117.99)                             | (87.61)                              |
| Taxes in respect of prior periods  | 71.13                                | 114.52                               |
|  | <b>460.71</b>                        | <b>382.09</b>                        |
| <b>Tax expense recognised in other comprehensive income</b>                  |                                      |                                      |
| Deferred tax (expense)/income on remeasurement of defined benefit obligation | (2.57)                               | (2.57)                               |
|  | <b>(2.57)</b>                        | <b>(2.57)</b>                        |

#### (ii) Reconciliation of effective tax rate :

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Profit after exceptional items and before tax  | 1,504.92       | 998.83         |
| Statutory income tax rate  | 25.17%         | 25.17%         |
| <b>Expected tax expense</b>  | <b>378.76</b>  | <b>251.39</b>  |
| <i>Tax effect of amounts which are not deductible/taxable in calculating taxable income:</i> |                |                |
| Effect of expenses not deductible under the IT Act, 1961                                     | 13.16          | 10.03          |
| Adjustment in respect of current income tax of previous years                                | 71.13          | 114.52         |
| Other adjustments  | (2.34)         | 6.15           |
| <b>Income tax expense</b>  | <b>460.71</b>  | <b>382.09</b>  |

### 36 EARNINGS PER SHARE

Basic earnings/(loss) per share amounts are calculated by dividing the profit/loss for the period/year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings/(loss) per share amounts are calculated by dividing the profit/loss attributable to equity shareholders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the period/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 income and share data used in the basic and diluted EPS computations:

#### Earnings per equity share

| Particulars  | March 31, 2025  | March 31, 2024 |
|--|-----------------|----------------|
| Profit after tax for the period/year attributable to equity shareholders                                   |                 |                |
| Continuing Operations  | 1,044.21        | 616.74         |
| Discontinued Operations  | -               | -              |
| <b>Profit after tax for the period/year attributable to equity shareholders from continuing operations</b> | <b>1,044.21</b> | <b>616.74</b>  |
| Add: Interest on convertible bonds   | -               | -              |

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

| Particulars   | March 31, 2025      | March 31, 2024      |
|---|---------------------|---------------------|
| <b>Profit after tax for the period/year attributable to equity shareholders adjusted for the effect of dilution</b> | <b>1,044.21</b>     | <b>616.74</b>       |
| <b>Shares</b>   |                     |                     |
| Original number of Equity Shares (Post Share Split) #   | 4,05,50,000         | 4,05,50,000         |
| Add: Impact of Bonus Issue #  | 24,33,00,000        | 24,33,00,000        |
| <b>Weighted average number of equity shares</b>   | <b>28,38,50,000</b> | <b>28,38,50,000</b> |
| <b>Effect of dilution:</b>  |                     |                     |
| Share options   | -                   | -                   |
| Convertible bonds   | -                   | -                   |
| <b>Weighted average number of equity shares adjusted for the effect of dilution</b>                                 | <b>28,38,50,000</b> | <b>28,38,50,000</b> |
| <b>Earnings per equity share (Face Value Rs. 2)</b>   |                     |                     |
| Basic (Rs.)   | 3.68                | 2.17                |
| Diluted (Rs.)   | 3.68                | 2.17                |

# Shareholders have approved the below at Extra-Ordinary general meeting held on March 01, 2025 (Refer Note 16)

- Share split of one equity share having face value of Rs.10 each into 5 equity shares of Rs. 2 each and
- Issue of fully paid bonus shares of Rs. 2 each in proportion of six equity shares for every one existing equity share.

Accordingly, as an adjusting event, the earnings per share has been adjusted for subdivision of shares and bonus shares for the current and previous years presented in accordance with the requirements of Indian Accounting Standard (Ind AS) 33 - Earnings per share.

### 37 CONTINGENT LIABILITIES AND COMMITMENTS

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| a) Contingent Liabilities  |                |                |
| i) Direct Tax*   | 179.78         | 118.76         |
| ii) Goods and Service Tax#   | 3.17           | -              |
| iii) Service Tax@  | 9.63           | -              |
| b) Commitments   |                |                |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances) | 273.93         | 191.17         |
| c) Corporate guarantees provided to the Related parties (refer note: 40b)  | 1,500.00       | 1,500.00       |

\*The Company preferred appeal before the Hon'ble Commissioner of Income Tax (Appeals) against the orders(s) of the Assessing Officer disputing the tax demands as below:

- AY 2023-24, Tax demand of Rs. 49.29 million plus interest and penalty (if levied).
- AY 2022-23, Tax demand of Rs. 137.75 million. In this regard, the Company has already paid a substantial portion of tax liability which may result in net tax exposure of Rs. 118.76 million plus interest and penalty (if levied).
- AY 2021-22, Tax demand of Rs. 4.70 million plus interest and penalty (if levied).
- AY 2020-21, Tax demand of Rs. 7.02 million plus interest and penalty (if levied).

# The Company has received a demand order amounting to Rs. 9.97 million from the GST department on account of Input Tax Credit (ITC) availed but not appearing in GSTR-2A. In response, the Company has made a pre-deposit of Rs.0.77 million and paid Rs.6.03 million under protest through DRC-03. The remaining disputed amount of Rs.3.17 million has been disclosed as a contingent liability.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

@ The Company is currently contesting a demand raised by the Service Tax Department pursuant to an order dated September 30, 2015, amounting to Rs. 9.63 million. The demand relates to service tax allegedly collected during a period when the Company was not registered under the Service Tax regime. The entire amount of Rs. 9.63 million has been disclosed as a contingent liability.

### 38 LEASES

#### a Lease as lessee

The Company has lease contracts for buildings. The leases generally have lease terms between **5 to 25 years**. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases with lease terms of 12 months or less and leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Refer Note 5 for details of carrying amounts of right-of-use assets recognised and the movements during the year.

#### (i) Break-up of lease liabilities is as under:

| Particulars                   | As at March 31, 2025 | As at March 31, 2024 |
|-------------------------------|----------------------|----------------------|
| Current lease liabilities     | 459.94               | 494.74               |
| Non-current lease liabilities | 6,918.00             | 4,124.41             |

#### (ii) Movement in lease liabilities is as follows:

| Particulars                                     | March 31, 2025  | March 31, 2024  |
|---|-----------------|-----------------|
| Balance at the beginning of the year            | 4,619.15        | 3,731.27        |
| Additions during the year                       | 3,258.90        | 1,327.08        |
| Deletions during the year                       | (4.13)          | -               |
| Finance cost accrued during the year            | 556.68          | 408.80          |
| Payment of lease liabilities                    | (1,052.66)      | (848.00)        |
| <b>Lease liabilities at the end of the year</b> | <b>7,377.94</b> | <b>4,619.15</b> |

#### (iii) The details of contractual maturities of lease liabilities on an undiscounted basis is as follows:

| Particulars          | March 31, 2025 | March 31, 2024 |
|----------------------|----------------|----------------|
| Less than one year   | 1,102.93       | 889.75         |
| One to five years    | 4,009.67       | 2,636.36       |
| More than five years | 8,116.40       | 4,073.28       |

#### Following amount has been recognised in statement of profit and loss:

| Particulars  | March 31, 2025  | March 31, 2024  |
|--|-----------------|-----------------|
| Amortisation on right to use asset                                 | 727.86          | 632.77          |
| Interest expense on lease liabilities                              | 556.68          | 408.80          |
| Expenses related to short term lease                               | 4.35            | 5.46            |
| Gain on derecognition of ROU                                       | 0.50            | -               |
| <b>Total amount recognised in the statement of profit and loss</b> | <b>1,289.39</b> | <b>1,047.03</b> |

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. The effective interest rate for lease liabilities is 9%.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

| Particulars   | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| Expense relating to leases of low-value assets                                | -              | -              |
| Expense relating to short-term leases   | 4.35           | 5.46           |
| Variable lease payments   | -              | -              |
| <b>Total Lease Payments not considered as Lease payments under Ind AS 116</b> | <b>4.35</b>    | <b>5.46</b>    |

#### b Leases as lessor

##### i Finance lease

The Company has sub-leased the buildings during the years ended March 31, 2025 and March 31, 2024

During the year ended March 31, 2025, the Company recognised a gain of 61.47 million (March 31, 2024: 43.41 million) on derecognition of the right-of-use asset pertaining to the building and presented the gain as part of 'Gain on derecognition of right of use assets'.

During the year ended March 31, 2025, the Company recognised interest income on lease receivables of 34.60 million (March 31, 2024: 31.00 million).

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

| Particulars                                | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--|-----------------------------------|-----------------------------------|
| Less than one year                         | 117.16                            | 123.57                            |
| One to five years                          | 243.31                            | 248.26                            |
| More than five years                       | 164.72                            | 73.87                             |
| <b>Total undiscounted lease receivable</b> | <b>525.19</b>                     | <b>445.70</b>                     |
| Unearned finance income                    | 148.83                            | 89.25                             |
| <b>Net investment in the lease</b>         | <b>376.36</b>                     | <b>356.45</b>                     |

##### ii Operating lease

The Company sub-leases out its building. The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Company during the period ended March 31, 2025 was 34.28 million (March 31, 2024 was 26.02 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

| Particulars        | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------|-----------------------------------|-----------------------------------|
| Less than one year | 46.04                             | 34.28                             |
|                    | <b>46.04</b>                      | <b>34.28</b>                      |

## 39 EMPLOYEE BENEFIT PLANS

#### a) Defined Contribution Plan

##### Provident Fund

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### b) Defined benefit plans

##### Gratuity

The Company has a defined benefit gratuity plan, according to which every employee who has completed five periods or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed period of service (service of six months and above is rounded off as one period) after deduction of necessary taxes at the time of retirement/exit in accordance with Payment of Gratuity Act, 1972. The following tables summarise the reconciliation of opening and closing balances of the present value and defined benefit obligation:

##### (i) Reconciliation of present value of defined benefit obligation

| Particulars   | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|-----------------------------------|-----------------------------------|
| Defined benefit obligations at the beginning of the year  | 204.65                            | 171.07                            |
| Benefits Paid   | -                                 | -                                 |
| Current service cost                                      | 48.41                             | 41.70                             |
| Interest expense on defined obligations                   | 14.37                             | 12.46                             |
| Benefit Payments from Employer                            | (12.80)                           | (10.37)                           |
| <b>Expenses recognised in statement of OCI</b>            |                                   |                                   |
| Actuarial loss/(gain) due to Demographic assumptions      | -                                 | -                                 |
| Actuarial loss/(gain) due to financial assumptions        | 5.45                              | (5.11)                            |
| Actuarial loss/(gain) due to experience changes           | (15.67)                           | (5.10)                            |
| <b>Defined benefit obligations at the end of the year</b> | <b>244.41</b>                     | <b>204.65</b>                     |

##### (ii) Reconciliation of fair value of plan asset

| Particulars  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--|-----------------------------------|-----------------------------------|
| Fair value of plan assets, beginning of the year                                 | -                                 | -                                 |
| Interest on plan assets  | -                                 | -                                 |
| Return on plan assets excluding interest income                                  | -                                 | -                                 |
| Employer contribution  | -                                 | -                                 |
| Employer Direct Benefit Payments   | 12.80                             | 10.37                             |
| Benefit Payments from Employer   | (12.80)                           | (10.37)                           |
| Remeasurement due to - actual return on plan assets less interest on plan assets | -                                 | -                                 |
| <b>Fair value of plan assets, at the end of the year</b>                         | <b>-</b>                          | <b>-</b>                          |

##### (iii) Reconciliation of present value of defined benefit obligation and fair value of plan assets

| Particulars                                      | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--|-----------------------------------|-----------------------------------|
| Present value of defined benefit obligation      | 244.41                            | 204.65                            |
| Fair value of plan assets                        | -                                 | -                                 |
| <b>Liability recognised in the Balance Sheet</b> | <b>244.41</b>                     | <b>204.65</b>                     |
| Non current                                      | 224.76                            | 187.88                            |
| Current  | 19.65                             | 16.77                             |

##### (iv) Expenses recognised in the Statement of Profit and Loss/OCI

| Particulars                                       | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|-----------------------------------|-----------------------------------|
| Recognised in statement of profit and loss        |                                   |                                   |
| Current service cost                              | 48.41                             | 41.70                             |
| Interest on net defined benefit liability/(asset) | 14.37                             | 12.46                             |
|   | <b>62.78</b>                      | <b>54.16</b>                      |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars  | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--|--------------------------------------|--------------------------------------|
| <b>Recognised in statement of other comprehensive income</b> |                                      |                                      |
| Remeasurement due to change in Demographic Assumptions       | -                                    | -                                    |
| Remeasurement due to change in Financial Assumptions         | 5.45                                 | (5.11)                               |
| Remeasurement due to change in Experience Assumptions        | (15.67)                              | (5.10)                               |
| <b>Actuarial loss/(gain)</b>                                 | <b>(10.22)</b>                       | <b>(10.21)</b>                       |

**(v) Key actuarial assumptions**

| Particulars                  | March 31, 2025 | March 31, 2024 |
|------------------------------|----------------|----------------|
| <b>Financial Assumptions</b> |                |                |
| Discount Rate                | 7.04%          | 7.25%          |
| Salary Escalation            | 6.00%          | 6.00%          |

| Particulars                                    | March 31, 2025       | March 31, 2024 |
|--|----------------------|----------------|
| <b>Demographic Assumptions</b>                 |                      |                |
| Mortality rate                                 | 100% of IALM 2012-14 |                |
| Disability Rate (as % of above mortality rate) | 0.00%                | 0.00%          |
| Withdrawal rate                                | 5.00%                | 5.00%          |
| Retirement age                                 | 65 Years             | 65 years       |
| Average Future Service                         | 29.79                | 29.13          |

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

**(vi) Maturity profile of defined benefit obligation:**

| Particulars           | March 31, 2025 | March 31, 2024 |
|-----------------------|----------------|----------------|
| Within next 12 months | -              | -              |
| Between 2 to 5 years  | -              | -              |
| Between 6 to 10 years | -              | -              |
| More than 10 years    | -              | -              |

**(vii) Sensitivity analysis**

| Particulars                       | March 31, 2025 | March 31, 2024 |
|-----------------------------------|----------------|----------------|
| Under Base Scenario               | 244.41         | 204.65         |
| Discount rate (+ 1% movement)     | 220.21         | 184.64         |
| Discount rate (- 1% movement)     | 273.49         | 228.68         |
| Salary escalation (+ 1% movement) | 272.70         | 227.92         |
| Salary escalation (- 1% movement) | 220.34         | 184.83         |
| Withdrawal Rates - Up by 1%       | 246.52         | 206.94         |
| Withdrawal Rates - Down by 1%     | 241.79         | 201.85         |
| Mortality Rates - Up by 10%       | 244.55         | 204.79         |
| Mortality Rates - Down by 10%     | 244.27         | 204.51         |

**(viii) Duration of defined benefit obligation**

| Particulars  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Weighted average remaining duration of defined benefit obligation (in years) | 12.00 years    | 12.00 years    |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**40 RELATED PARTY DISCLOSURES**

**(a) Names of the related parties and nature of relationship**

| Names of related parties  | Nature of relationship  |
|---|---|
| R. S. Brothers Textiles and Garments  | Entities in which KMP's/<br>Director exercises control/has<br>significant influence |
| Status Textiles and Garments  |   |
| Sree Venkateswara Enterprises   |   |
| R.S. Avenues Private Limited  |   |
| Merit Retail Private Limited  |   |
| Siddhi Vinayaka Fashions LLP  |   |
| Southmade Realty & Retail Private Limited   |   |
| P Venkateswarlu Private Limited   |   |
| S Rajamouli Private Limited   |   |
| T Prasad Rao Private Limited  |   |
| Narayani Silver House   |   |
| R.S.Brothers Jewellers Private Limited  |   |
| R S Brothers Group C S R Foundation   |   |
| R S Ad Enterprises  |   |
| Potti Venkateswarlu - (appointed as Chairperson & Whole-time Director with effect from March 19, 2025; He was an Executive Director till March 19, 2025)            | Key Managerial Personnel/<br>Director   |
| Seerna Rajamouli - (appointed as Managing Director with effect from March 19, 2025; He was an Executive Director till March 19, 2025)                               |   |
| Tiruvedhula Prasada Rao - (appointed as Whole-time Director with effect from March 19, 2025; He was an Executive Director till March 19, 2025)                      |   |
| Potti Venkata Sai Abhinay - (appointed as Chief Commercial and Operating Officer with effect from March 19, 2025; He was an Executive Director till March 19, 2025) |   |
| Seerna Suresh - (appointed as Chief Sales and Marketing Officer with effect from March 19, 2025, He was an Executive Director till March 19, 2025)                  |   |
| Tiruvedhula Rakesh - (appointed as Chief Projects and Information Officer with effect from March 19, 2025; He was an Executive Director till March 19, 2025)        |   |
| Tiruvedhula Keshav Gupta - (appointed as Chief Human Resource Officer with effect from March 19, 2025, He was an Executive Director till March 19, 2025)            |   |
| Independent Director - Thouta Srinivas (w.e.f. March 19, 2025)  |   |
| Independent Director - Salil Nair (w.e.f. March 19, 2025)   |   |
| Independent Director - Jagadeeshwar Munigela (w.e.f. January 18, 2025)  |   |
| Independent Director - Poonam Malakondaiah (w.e.f. January 18, 2025)  |   |
| Chief Financial Officer - R Gowrisankar (w.e.f. June 26, 2025)  |   |
| Company Secretary and Compliance Officer - T S Maharani (w.e.f. October 04, 2024)   |   |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Names of related parties        | Nature of relationship                         |
|---------------------------------|--|
| Potti Chandra Sekhara Rao       | Relatives of Key Managerial Personnel/Director |
| Sirna Venkata Ramana            |  |
| Potti Srinivas Rao              |  |
| Sirna Ramulu                    |  |
| Potti Venkata Lakshmi Spandana  |  |
| Smt P Malathi Lakshmi Kumari    |  |
| Ms P Rachana Sree               |  |
| Ms P V L Greeshma               |  |
| Mattey Sri Lalitha Ratna Kumari |  |
| Siddam Shetty Ramya             |  |
| Ashmitha Padmanabhan            |  |
| Potti Venkata Sujatha           |  |
| Maturu Venkata Lakshmi Sindhu   |  |
| Vinitha Balakrishnan            |  |
| Gourishetty Lalitha             |  |
| Grandhi Kavitha                 |  |

**(b) Transactions with related parties**

|   | Key Managerial Personnel/Director |                | Relatives of Key Managerial Personnel/Director |                | Entities in which KMP's/Director exercises control/has significant influence |               |
|---|-----------------------------------|----------------|--|----------------|--|---------------|
|   | March 31, 2025                    | March 31, 2024 | March 31, 2025                                 | March 31, 2024 | March 31, 2025   | 31 March 2024 |
| <b>1. Unsecured Loans</b>                 |                                   |                |  |                |  |               |
| (a) Received during the year              | 95.54                             | 166.09         | 16.69  | 15.49          | -  | -             |
| (b) Returned during the year              | 96.16                             | 170.02         | 29.83  | 23.06          | -  | -             |
| <b>2. Expenditure</b>                     |                                   |                |  |                |  |               |
| (a) Rent paid during the year             | 97.20                             | 83.83          | 1.80   | 1.80           | 29.45  | 29.45         |
| (b) Salary                                | 2.97                              | -              | 50.38  | 42.95          | -  | -             |
| (c) Remuneration                          | 72.80                             | 129.60         | -  | -              | -  | -             |
| (d) Purchases                             | -                                 | -              | -  | -              | 1.03   | 2.95          |
| (e) Interest on Un-Secured Loans          | -                                 | 0.83           | 1.13   | 1.85           | -  | -             |
| (f) Management Fee                        | -                                 | -              | -  | -              | -  | 484.00        |
| (g) Advertisement                         | -                                 | -              | -  | -              | -  | 92.31         |
| (h) Donations                             | -                                 | -              | -  | -              | 17.45  | -             |
| (i) Sitting Fees to Independent Directors | 0.51                              | -              | -  | -              | -  | -             |
| <b>3. Income</b>                          |                                   |                |  |                |  |               |
| a) Rental Income during the year          | -                                 | -              | -  | -              | 103.20   | 101.72        |
| b) Sales                                  | -                                 | -              | -  | -              | 102.26   | 723.98        |
| c) Advertisement Income                   | -                                 | -              | -  | -              | 1.00   | 1.26          |
| d) Interest income received               | -                                 | 18.81          | -  | -              | -  | -             |
| e) Sale of fixed assets                   | -                                 | -              | -  | -              | -  | -             |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

|   | Key Managerial Personnel/Director |                | Relatives of Key Managerial Personnel/Director |                | Entities in which KMP's/Director exercises control/has significant influence |               |
|---|-----------------------------------|----------------|--|----------------|--|---------------|
|   | March 31, 2025                    | March 31, 2024 | March 31, 2025                                 | March 31, 2024 | March 31, 2025   | 31 March 2024 |
| <b>4. Capital advances</b>                    | -                                 | -              | -  | -              | -  | -             |
| <b>5. Business Acquisitions</b>               | -                                 | -              | -  | -              | 184.57   | -             |
| <b>6. Salary Advances</b>                     |                                   |                |  |                |  |               |
| (a) Salary advances given during the year     | 11.92                             | 7.47           | 4.46   | 5.72           | -  | -             |
| (b) Salary advances recovered during the year | 4.97                              | 5.21           | 3.62   | 8.58           | -  | -             |

| Particulars                                | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| <b>Unsecured Loans Taken from</b>          |                |                |
| Potti Venkateswarlu                        | 43.42          | 33.34          |
| Seerna Rajamouli                           | 32.07          | 85.55          |
| Tiruveedhula Prasada Rao                   | 15.00          | 13.20          |
| Mrs. P ML Kumari                           | -              | -              |
| Potti Venkata Sujatha                      | 2.84           | 2.99           |
| Potti Venkata Lakshmi Spandana             | 10.00          | 12.50          |
| Maturu Venkata Lakshmi Sindhu              | 3.85           | -              |
| Potti Venkata Sai Abhinay                  | 5.05           | 34.00          |
| Potti Satyanarayana                        | -              | -              |
| Gowrishetty Lalitha                        | -              | -              |
| <b>Unsecured Loans Returned to</b>         |                |                |
| Potti Venkateswarlu                        | 43.89          | 33.63          |
| Seerna Rajamouli                           | 32.11          | 87.77          |
| Tiruveedhula Prasada Rao                   | 15.11          | 14.62          |
| Mrs. P M L Kumari                          | -              | -              |
| Potti Satyanarayana                        | -              | -              |
| Potti Venkata Sujatha                      | 5.41           | 8.86           |
| Maturu Venkata Lakshmi Sindhu              | 4.13           | 0.40           |
| Potti Venkata Lakshmi Spandana             | 20.28          | 13.80          |
| Potti Venkata Sai Abhinay                  | 5.05           | 34.00          |
| Gourishetty Lalitha                        | -              | -              |
| <b>Directors Remuneration</b>              |                |                |
| Potti Venkateswarlu                        | -              | 21.60          |
| Seerna Rajamouli                           | -              | 21.60          |
| Tiruveedhula Prasada Rao                   | -              | 14.40          |
| Potti Venkata Sai Abhinay                  | 24.00          | 24.00          |
| Seerna Suresh                              | 24.00          | 24.00          |
| Tiruveedhula Keshav Gupta                  | 24.00          | 24.00          |
| Tiruveedhula Rakesh                        | 0.80           | -              |
| Sitting Fees paid to independent directors | 0.00           | -              |
| <b>Management Fee</b>                      |                |                |
| P Venkateswarlu Private Limited            | -              | 181.50         |
| S Rajamouli Private Limited                | -              | 181.50         |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars                               | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| T Prasad Rao Private Limited              | -              | 121.00         |
| <b>Rent Received from</b>                 |                |                |
| R.S.Brothers Jewellers Private Limited    | 99.60          | 92.35          |
| Siddhi Vinayaka Fashions LLP              | -              | 9.37           |
| Narayani Silver House                     | 3.60           | -              |
| <b>Rent paid to</b>                       |                |                |
| Potti Venkateswarlu                       | 35.44          | 30.42          |
| Seerna Rajamouli                          | 35.44          | 30.42          |
| Tiruvedhula Prasada Rao                   | 23.62          | 20.28          |
| Tiruvedhula Rakesh                        | 0.45           | 0.45           |
| Tiruvedhula Keshav Gupta                  | 0.45           | 0.45           |
| Seerna Suresh                             | 1.80           | 1.80           |
| Smt P Malathi Lakshmi Kumari              | -              | -              |
| Maturu Venkata Lakshmi Sindhu             | 1.80           | 1.80           |
| Sree Venkateswara Enterprises             | 14.40          | 14.40          |
| R.S. Avenues Private Limited              | 15.05          | 15.05          |
| <b>Advertisement paid to</b>              |                |                |
| R S Ad Enterprises                        | -              | 92.31          |
| <b>INTEREST PAID to</b>                   |                |                |
| Gourishetty Lalitha                       | -              | -              |
| Tiruvedhula Prasada Rao                   | -              | 0.07           |
| Potti Venkateswarlu                       | -              | 0.03           |
| Seerna Rajamouli                          | -              | 0.73           |
| Mrs. P M L Kumari                         | -              | -              |
| Potti Venkata Sujatha                     | -              | 0.60           |
| Maturu Venkata Lakshmi Sindhu             | -              | 0.04           |
| Potti Venkata Lakshmi Spandana            | 1.13           | 1.21           |
| <b>SALARIES to</b>                        |                |                |
| Sirna Ramulu                              | 4.63           | 3.21           |
| Potti Chandra Sekhara Rao                 | 4.45           | 3.33           |
| Sirna Venkata Ramana                      | 10.38          | 7.99           |
| Potti Srinivas Rao                        | 5.72           | 3.23           |
| Potti Venkata Lakshmi Spandana            | 2.40           | 2.40           |
| Ms. P V L Greeshma                        | -              | -              |
| Siddam Shetty Ramya                       | 6.00           | 6.00           |
| Mrs. P M L Kumari                         | -              | -              |
| Ms P Rachana Sree                         | -              | -              |
| Mattey Sri Lalitha Ratna Kumari           | 2.40           | 2.40           |
| Grandhi Kavitha                           | 2.40           | 2.40           |
| Ashmitha Padmanabhan                      | 6.00           | 6.00           |
| Vinitha Balakrishnan                      | 6.00           | 6.00           |
| T S Maharani                              | 2.97           | -              |
| <b>Purchases from</b>                     |                |                |
| R. S. Brothers Textiles and Garments      | -              | -              |
| Status Textiles and Garments              | -              | 1.77           |
| R.S.Brothers Jewellers Private Limited    | 1.03           | 1.18           |
| <b>Sales to</b>                           |                |                |
| R. S. Brothers Textiles and Garments      | 101.80         | 105.19         |
| Southmade Realty & Retail Private Limited | -              | -              |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars                                  | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Merit Retail Private Limited                 | -              | 163.41         |
| Siddhi Vinayaka Fashions LLP                 | -              | 446.64         |
| Status Textiles & Garments                   | -              | 8.63           |
| R.S.Brothers Jewellers Private Limited       | 0.46           | 0.11           |
| <b>Advertisement Income from</b>             |                |                |
| R.S.Brothers Jewellers Private Limited       | 1.00           | -              |
| Siddhi Vinayaka Fashions LLP                 | -              | 0.86           |
| Merit Retail Private Limited                 | -              | 0.40           |
| <b>Interest income received</b>              |                |                |
| Seerna Suresh                                | -              | 7.28           |
| Potti Venkata Sai Abhinay                    | -              | 11.09          |
| Potti Venkateswarlu                          | -              | 0.04           |
| Seerna Rajamouli                             | -              | 0.29           |
| Tiruvedhula Prasada Rao                      | -              | 0.11           |
| Smt P Malathi Lakshmi Kumari                 | -              | -              |
| <b>Capital advances given</b>                |                |                |
| P Venkateswarlu Private Limited              | -              | -              |
| S Rajamouli Private Limited                  | -              | -              |
| T Prasad Rao Private Limited                 | -              | -              |
| <b>Donations Given</b>                       |                |                |
| R S Brothers Group C S R Foundation          | 17.45          | -              |
| <b>Sitting Fees to Independent Directors</b> |                |                |
| Thouta Srinivas                              | 0.11           | -              |
| Salil Nair                                   | 0.11           | -              |
| Jagadeeshwar Munigela                        | 0.16           | -              |
| Poonam Malakondaiah                          | 0.13           | -              |
| <b>Sale of fixed assets</b>                  |                |                |
| Siddhi Vinayaka Fashions LLP                 | -              | -              |
| Business Acquisitions                        |                |                |
| Siddhi Vinayaka Fashions LLP                 | 83.00          | -              |
| Merit Retail Private Limited                 | 38.08          | -              |
| Status Textiles & Garments                   | 63.49          | -              |
| <b>Salary Advances given to</b>              |                |                |
| Seerna Suresh                                | 2.04           | 2.09           |
| Potti Venkata Sai Abhinay                    | 5.08           | 4.95           |
| Tiruvedhula Rakesh                           | 0.32           | -              |
| Tiruvedhula Keshav Gupta                     | 4.48           | 0.43           |
| Potti Srinivasa Rao                          | 0.91           | 2.97           |
| Potti Venkata Lakshmi Spandana               | 0.27           | 0.32           |
| Potti Chandra Sekhara Rao                    | 1.99           | 0.67           |
| Mattey Sri Lalitha Ratna Kumari              | 0.26           | 0.35           |
| Ashmitha Padmanabhan                         | 0.16           | 0.11           |
| Vinitha Balakrishnan                         | 0.10           | 0.18           |
| Siddam Shetty Ramya                          | 0.59           | -              |
| Grandhi Kavitha                              | 0.14           | 0.17           |
| Sirna Ramulu                                 | 0.05           | 0.92           |
| Sirna Venkata Ramana                         | -              | 0.03           |

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

| Particulars                      | March 31, 2025 | March 31, 2024 |
|----------------------------------|----------------|----------------|
| <b>Salary Advances recovered</b> |                |                |
| Seerna Suresh                    | 1.88           | 2.44           |
| Potti Venkata Sai Abhinay        | 1.60           | 2.34           |
| Tiruvedhula Rakesh               | 0.32           | -              |
| Tiruvedhula Keshav Gupta         | 1.16           | 0.43           |
| Potti Srinivasa Rao              | 0.71           | 6.38           |
| Potti Venkata Lakshmi Spandana   | 0.42           | 0.16           |
| Potti Chandrasekhar Rao          | 0.61           | 0.58           |
| M Lalitha Ratna Kumari           | 0.26           | 0.35           |
| Ashmitha Padmanabhan             | 0.16           | 0.11           |
| Vineetha Balakrishnan            | 0.10           | 0.18           |
| Siddamsetty Ramya                | 0.59           | -              |
| Grandhi Kavitha                  | 0.14           | 0.17           |
| Seerna Ramulu                    | 0.23           | 0.18           |
| S Venkataramana                  | 0.40           | 0.47           |

#### Disclosure in respect of non-monetary transactions with the Related Parties during the year

| Name of the Related Party              | March 31, 2025 | March 31, 2024 | Purpose  |
|--|----------------|----------------|--|
| R.S.Brothers Jewellers Private Limited | 1,500.00       | 1,500.00       | Corporate Guarantee for the facilities availed with SBI and Axis |
| Southmade Retail Private Limited       | -              | -              | Corporate Guarantee for the facilities availed with SBI          |

#### (c) Balance receivable/(payable)

| Particulars                       | March 31, 2025 | March 31, 2024 |
|-----------------------------------|----------------|----------------|
| <b>Trade receivables</b>          | 21.58          | 221.81         |
| Trade Payables                    | -              | -              |
| Other current receivables         | 22.93          | -              |
| Other current payables*           | (386.82)       | (517.01)       |
| Remuneration payable to Directors | -              | -              |
| Provision for expense payable     | -              | -              |
| Loans receivable/(payable)        | -              | (12.75)        |
| Security deposits*                | 463.25         | 469.45         |
| Lease liabilities                 | (361.04)       | (390.15)       |
| Advances to suppliers             | -              | -              |
| Capital advances                  | 297.50         | 297.50         |
| Salary advances                   | 25.21          | 17.42          |

\*Other current payables include an amount of Rs. 373.40 million as at March 31, 2025 (March 31, 2024: Rs.373.40 million), which is disclosed separately as a part of related party transaction note. However, this amount is netted off against security deposits on leases relating to properties leased from directors and other related parties in the financial statements.

## 41 SEGMENT INFORMATION

The Company is into the business of retailing/trading predominantly in India which in the context of Indian Accounting Standards 108 - "Segment Information" represents single reportable business segment. Information reported to Chief Operating Decision Maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of services delivered/provided/business conducted. The revenues, total expenses and net profit as per the statement of the profit and loss represents the revenue, total expenses and the net profit of the sole reportable segment.

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

## 42 CATEGORIES OF FINANCIAL INSTRUMENTS AND THEIR FAIR VALUES

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

| Categories of financial instruments                | Fair value level | As at                                  | As at                                  |
|--|------------------|--|--|
|  |                  | March 31, 2025                         | March 31, 2024                         |
|  |                  | Total Fair value/<br>Amortised<br>cost | Total Fair value/<br>Amortised<br>cost |
| <b>Financial assets</b>                            |                  |  |  |
| Cash and cash equivalents                          | Level 2          | 248.78                                 | 456.23                                 |
| Bank balances other than Cash and Cash equivalents | Level 2          | 114.19                                 | 374.23                                 |
| Trade receivables                                  | Level 2          | 39.38                                  | 244.87                                 |
| Other financial assets                             | Level 2          | 1,236.88                               | 931.73                                 |
|  |                  | <b>1,639.23</b>                        | <b>2,007.06</b>                        |
| <b>Financial liabilities</b>                       |                  |  |  |
| Trade payables                                     | Level 2          | 3,702.09                               | 3,840.89                               |
| Non-current borrowings                             | Level 2          | 1,637.18                               | 1,116.35                               |
| Current borrowings                                 | Level 2          | 1,713.14                               | 1,440.94                               |
| Lease liabilities                                  | Level 2          | 7,377.94                               | 4,619.15                               |
| Other financial liabilities                        | Level 2          | 532.52                                 | 424.44                                 |
|  |                  | <b>14,962.87</b>                       | <b>11,441.77</b>                       |

The fair value of the financial assets and financial liabilities are included at an amount at which the instruments could be exchanged in a current transaction between the willing parties, other than in a forced or liquidation sale.

## 43 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### Financial Risk Management Framework

The Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, market risk and liquidity risk. The Company's risk management policies are established to identify and analyse the risks faced by the Company and seek to, where appropriate, minimise potential impact of the risk and to control and monitor such risks. There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

The following sections provide details regarding the Company's exposure to the financial risks associated with financial instruments held in the ordinary course of business and the objectives, policies and processes for management of these risks.

#### A. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits with scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

#### Trade and other receivables

The Company's credit risk exposure primarily arises from receivables due from related parties, which constitute the majority of trade receivables. While the Company maintains formal credit risk management procedures including credit approvals and limit monitoring, the concentration of receivables from group entities inherently mitigates credit risk due to shared ownership and management oversight. The Company continuously monitors the financial position and payment behaviour of related parties to ensure timely collection.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**Details of financial assets – not due, past due and impaired**

None of the Company's cash equivalents, including term deposits with banks, were past due or impaired as of March 31, 2025. The Company's credit period for trade and other receivables payable by its customers generally ranges from 30 - 45 days.

|                           | March 31, 2025 |                      | March 31, 2024 |                      |
|---------------------------|----------------|----------------------|----------------|----------------------|
|                           | Gross amount   | Expected credit loss | Gross amount   | Expected credit loss |
| Trade receivables         | 39.38          | -                    | 244.87         | -                    |
| Cash and cash equivalents | 248.78         | -                    | 456.23         | -                    |
| Other financial assets    | 1,236.88       | -                    | 931.73         | -                    |

**The ageing of trade receivables is given below:**

| Particulars                        | March 31, 2025 | March 31, 2024 |
|------------------------------------|----------------|----------------|
| Neither past due not impaired      |                |                |
| Past due but not impaired          |                |                |
| Less than 365 days                 | 35.74          | 244.73         |
| More than 365 days                 | 3.64           | 0.14           |
|                                    | 39.38          | 244.87         |
| Less : Allowance for credit losses | -              | -              |
| <b>Total</b>                       | <b>39.38</b>   | <b>244.87</b>  |

**Expected credit loss on trade receivables has been determined as follows under the simplified approach**

**As at March 31, 2025**

|   | Not due  | Less than 6 months | 6 months - 1 year | 1-2 years   | 2-3 years   | More than 3 years | Total        |
|---|----------|--------------------|-------------------|-------------|-------------|-------------------|--------------|
| Gross carrying amount                             | -        | 35.57              | 0.18              | 3.05        | 0.59        | -                 | 39.38        |
| Expected loss rate                                | -        | -                  | -                 | -           | -           | -                 | -            |
| Expected credit losses                            | -        | -                  | -                 | -           | -           | -                 | -            |
| <b>Carrying amount of trade receivables (Net)</b> | <b>-</b> | <b>35.57</b>       | <b>0.18</b>       | <b>3.05</b> | <b>0.59</b> | <b>-</b>          | <b>39.38</b> |

**As at March 31, 2024**

|   | Not due  | Less than 6 months | 6 months - 1 year | 1-2 years   | 2-3 years | More than 3 years | Total         |
|---|----------|--------------------|-------------------|-------------|-----------|-------------------|---------------|
| Gross carrying amount                             | -        | 244.60             | 0.13              | 0.14        | -         | -                 | 244.87        |
| Expected loss rate                                | -        | -                  | -                 | -           | -         | -                 | -             |
| Expected credit losses                            | -        | -                  | -                 | -           | -         | -                 | -             |
| <b>Carrying amount of trade receivables (Net)</b> | <b>-</b> | <b>244.60</b>      | <b>0.13</b>       | <b>0.14</b> | <b>-</b>  | <b>-</b>          | <b>244.87</b> |

**B. Liquidity risk**

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

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

**Maturities of financial liabilities**

**As at March 31, 2025**

|   | Carrying amount  | Payable on demand | Less than 1 year | 1 - 5 Years     | More than 5 years | Total            |
|---|------------------|-------------------|------------------|-----------------|-------------------|------------------|
| Non-current borrowings (Including Current Maturities) | 2,121.97         | -                 | 484.79           | 1,459.01        | 178.17            | 2,121.97         |
| Lease liabilities                                     | 7,377.94         | -                 | 1,102.93         | 4,009.67        | 8,116.40          | 13,229.00        |
| Current borrowings                                    | 1,228.35         | -                 | 1,228.35         | -               | -                 | 1,228.35         |
| Trade payables  | 3,702.09         | -                 | 3,702.09         | -               | -                 | 3,702.09         |
| Other financial liabilities                           | 532.52           | -                 | 520.73           | 11.79           | -                 | 532.52           |
| <b>Total</b>  | <b>14,962.87</b> | <b>-</b>          | <b>7,038.89</b>  | <b>5,480.47</b> | <b>8,294.57</b>   | <b>20,813.93</b> |

**As at March 31, 2024**

|   | Carrying amount  | Payable on demand | Less than 1 year | 1 - 5 Years     | More than 5 years | Total            |
|---|------------------|-------------------|------------------|-----------------|-------------------|------------------|
| Non-current borrowings (Including Current Maturities) | 1,434.48         | -                 | 318.13           | 1,027.28        | 89.07             | 1,434.48         |
| Lease liabilities                                     | 4,619.15         | -                 | 889.75           | 2,636.36        | 4,073.28          | 7,599.39         |
| Current borrowings                                    | 1,122.81         | -                 | 1,122.81         | -               | -                 | 1,122.81         |
| Trade payables  | 3,840.89         | -                 | 3,840.89         | -               | -                 | 3,840.89         |
| Other financial liabilities                           | 424.44           | -                 | 410.57           | 13.87           | -                 | 424.44           |
| <b>Total</b>  | <b>11,441.77</b> | <b>-</b>          | <b>6,582.15</b>  | <b>3,677.51</b> | <b>4,162.35</b>   | <b>14,422.01</b> |

The contractual maturities of lease liabilities presented in the above table represent undiscounted cash flows, which differ from their carrying value disclosed in Note 19. The carrying value of lease liabilities reflects the present value of future lease payments discounted at the incremental borrowing rate in accordance with Ind AS 116.

**C. Market risk:**

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

**i. Interest rate risk**

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

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

| Particulars                  | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|------------------------------|--------------------------------------|--------------------------------------|
| <b>Sensitivity</b>           |                                      |                                      |
| 1% increase in variable rate | (10.56)                              | (4.02)                               |
| 1% decrease in variable rate | 10.52                                | 3.46                                 |

#### ii. Foreign currency risk:

The Company has no foreign currency receivables or payables. Hence, the Company is not exposed to Foreign currency risk.

## 44 CAPITAL RISK MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

| Particulars                         | March 31, 2025  | March 31, 2024  |
|-------------------------------------|-----------------|-----------------|
| Non current borrowings              | 1,637.18        | 1,116.35        |
| Current borrowings                  | 1,713.14        | 1,440.94        |
| Less: cash and cash equivalents     | (248.78)        | (456.23)        |
| <b>Net debt</b>                     | <b>3,101.54</b> | <b>2,101.06</b> |
| Equity share capital                | 567.70          | 81.10           |
| Other equity                        | 4,001.23        | 3,435.97        |
| <b>Total Equity</b>                 | <b>4,568.93</b> | <b>3,517.07</b> |
| <b>Net debt to equity ratio (%)</b> | <b>67.88%</b>   | <b>59.74%</b>   |
| <b>Gearing Ratio</b>                | <b>0.40</b>     | <b>0.37</b>     |

## 45 REVENUE FROM CONTRACT WITH CUSTOMER

Set out below is the disaggregation of the Company's revenue from contracts with customers and reconciliation to profit and loss account:

#### (i) Revenue from contracts with customers comprises of:

| Particulars                   | March 31, 2025 | March 31, 2024 |
|-------------------------------|----------------|----------------|
| Revenue from sale of products | -              | -              |
| Manufactured                  | 26,939.44      | 24,579.91      |
| Traded                        | 26,939.44      | 24,579.91      |

#### (ii) Geographical markets

| Particulars   | March 31, 2025 | March 31, 2024 |
|---------------|----------------|----------------|
| India         | 26,939.44      | 24,579.91      |
| Outside India | -              | -              |
|               | 26,939.44      | 24,579.91      |

## Notes to Financial Statements (Contd.)

### Summary of Material Accounting Policies and Other Explanatory Information

(All amounts are in Rs. million, unless otherwise stated)

#### (iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

| Particulars  | March 31, 2025   | March 31, 2024   |
|--|------------------|------------------|
| <b>Sale of Goods</b>   | <b>30,198.70</b> | <b>30,100.51</b> |
| Less: Returns  | 240.07           | 713.27           |
| <b>Gross Sales</b>   | <b>29,958.63</b> | <b>29,387.24</b> |
| Less: Discounts  | 1,106.08         | 3,115.56         |
| <b>Net sales</b>   | <b>28,852.55</b> | <b>26,271.68</b> |
| Less: GST  | 1,913.11         | 1,691.77         |
| <b>Revenue from Operations as per the Statement of Profit and Loss</b> | <b>26,939.44</b> | <b>24,579.91</b> |

#### (iv) Timing of revenue recognition

| Particulars        | March 31, 2025 | March 31, 2024 |
|--------------------|----------------|----------------|
| At a point in time | 26,939.44      | 24,579.91      |
| Over time          | -              | -              |
|                    | 26,939.44      | 24,579.91      |

#### (v) Assets and liabilities related to contracts with customers

| Particulars          | March 31, 2025 | March 31, 2024 |
|----------------------|----------------|----------------|
| Trade receivables    | 39.38          | 244.87         |
| Contract assets      | -              | -              |
| Contract liabilities | -              | -              |

## 46 ADDITIONAL DISCLOSURES

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company 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.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

- (vii) The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (ix) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the period/year ended March 31, 2025 and March 31, 2024.
- (x) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in-progress are held in the name of the Company as at the balance sheet date.
- (xi) The Company has been sanctioned working capital limits in excess of Rs.5 crore, by the banks on the basis of security of current assets. Pursuant to the terms of the sanction letters and its subsequent revisions, the statements filed are in agreement with the books of account of the Company, except for the below instances. The differences as reported is mainly attributed to use of information extracted from books prior to book closures. Management has taken necessary steps to minimise such differences.

**For the period ended March 31, 2025**

| Name of the bank   | Nature of current asset offered as security | Quarter ended           | Amount disclosed as per quarterly return/statement | Amount as per books of accounts | Difference |            |
|--|---|-------------------------|--|---------------------------------|------------|------------|
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables                           | Refer Note 18 Foot Note | 31-Mar-25  | 21.44                           | 39.38      | (17.94)    |
|  | Inventories                                 |                         |  | 5,523.69                        | 5,718.08   | (194.39)   |
|  | Trade payables                              |                         |  | 3,207.09                        | 3,702.09   | (495.00)   |
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables                           | Refer Note 18 Foot Note | 31-Dec-24  | 51.86                           | 92.47      | (40.60)    |
|  | Inventories                                 |                         |  | 6,974.48                        | 6,977.36   | (2.88)     |
|  | Trade payables                              |                         |  | 5,015.03                        | 6,150.78   | (1,135.75) |
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables                           | Refer Note 18 Foot Note | 30-Sep-24  | 51.09                           | 135.48     | (84.39)    |
|  | Inventories                                 |                         |  | 6,222.12                        | 6,222.12   | -          |
|  | Trade payables                              |                         |  | 4,488.66                        | 3,712.26   | 776.40     |
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables                           | Refer Note 18 Foot Note | 30-Jun-24  | 27.79                           | 111.65     | (83.86)    |
|  | Inventories                                 |                         |  | 5,083.62                        | 5,083.62   | -          |
|  | Trade payables                              |                         |  | 3,178.79                        | 3,132.37   | 46.42      |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

**For the period ended March 31, 2024**

| Name of the bank   | Nature of current asset offered as security | Quarter ended           | Amount disclosed as per quarterly return/statement | Amount as per books of accounts | Difference |          |
|--|---|-------------------------|--|---------------------------------|------------|----------|
| State Bank of India, HDFC Bank Limited, ICICI Bank Limited & Canara Bank | Trade receivables                           | Refer Note 18 Foot Note | 31-Mar-24  | 200.90                          | 283.73     | (82.83)  |
|  | Inventories                                 |                         |  | 4,779.64                        | 5,147.15   | (367.51) |
|  | Trade payables                              |                         |  | 3,167.23                        | 3,840.89   | (673.66) |
| State Bank of India, HDFC Bank Limited & ICICI Bank Limited              | Trade receivables                           | Refer Note 18 Foot Note | 31-Dec-23  | 225.47                          | 316.80     | (91.33)  |
|  | Inventories                                 |                         |  | 5,369.03                        | 5,369.03   | -        |
|  | Trade payables                              |                         |  | 4,051.70                        | 2,797.93   | 1,253.77 |
| State Bank of India, HDFC Bank Limited                                   | Trade receivables                           | Refer Note 18 Foot Note | 30-Sep-23  | 220.93                          | 308.79     | (87.87)  |
|  | Inventories                                 |                         |  | 4,999.35                        | 4,999.35   | -        |
|  | Trade payables                              |                         |  | 3,592.22                        | 2,589.25   | 1,002.96 |
| State Bank of India, HDFC Bank Limited                                   | Trade receivables                           | Refer Note 18 Foot Note | 30-Jun-23  | 222.71                          | 313.45     | (90.74)  |
|  | Inventories                                 |                         |  | 4,529.76                        | 4,529.76   | -        |
|  | Trade payables                              |                         |  | 3,039.95                        | 2,438.70   | 601.24   |

- (xii) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Furthermore, no instances were observed of the audit trail feature being tampered with in accounting software where the audit trail has been enabled at the database level.

Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

**47 RATIO DISCLOSURES**

| Particulars                            | Numerator                                | Denominator                             | March 31, 2025 | March 31, 2024 | % Change | Remarks for variance more than 25% |
|--|--|---|----------------|----------------|----------|------------------------------------|
| Current Ratio (In times)               | Current assets                           | Current liabilities                     | 0.97           | 1.03           | (5.26%)  |                                    |
| Debt Equity Ratio (In times)           | Total debt (including lease liabilities) | Shareholder's Equity                    | 2.35           | 2.04           | 15.08%   |                                    |
| Debt Service Coverage Ratio (In times) | Earnings available for debt service      | Total Interest and principal repayments | 1.53           | 1.72           | (10.93%) |                                    |
| Return on Equity (%)                   | Earning available to equity shareholders | Average Shareholder's Equity            | 25.83%         | 19.24%         | 6.58%    |                                    |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars                                 | Numerator                  | Denominator                                       | March 31, 2025 | March 31, 2024 | % Change  | Remarks for variance more than 25%               |
|---|----------------------------|---|----------------|----------------|-----------|--|
| Inventory Turnover Ratio (In times)         | Cost of Inventory consumed | Average Inventory                                 | 3.09           | 3.31           | (6.48%)   |  |
| Trade Receivables turnover ratio (In times) | Net Credit Sales           | Average Trade Receivables                         | 1.41           | 3.28           | (56.82%)  | Due to decrease in credit sales during the year. |
| Trade Payables turnover ratio (In times)    | Net credit purchases       | Average Trade payables and provision for expenses | 4.63           | 4.47           | 3.59%     |  |
| Net Capital Turnover Ratio (In times)       | Revenue from operations    | Working capital                                   | (152.27)       | 135.18         | (212.64%) | Due to decrease in working capital.              |
| Net profit ratio (%)                        | Net profit after taxes     | Net Sales   | 3.88%          | 2.51%          | 1.37%     |  |
| Return on Capital employed (%)              | EBIT                       | Capital Employed                                  | 28.95%         | 24.39%         | 4.56%     |  |

| Particulars                                 | Numerator                                | Denominator                                       | March 31, 2025 | March 31, 2024 | % Change  | Remarks for variance more than 25%            |
|---|--|---|----------------|----------------|-----------|---|
| Current Ratio (In times)                    | Current assets                           | Current liabilities                               | 1.03           | 0.96           | 6.87%     |   |
| Debt Equity Ratio (In times)                | Total debt (including lease liabilities) | Shareholder's Equity                              | 2.04           | 1.73           | 18.10%    |   |
| Debt Service Coverage Ratio (In times)      | Earnings available for debt service      | Total Interest and principal repayments           | 1.72           | 1.71           | 0.38%     |   |
| Return on Equity (%)                        | Earning available to equity shareholders | Average Shareholder's Equity                      | 19.24%         | 26.55%         | (7.31%)   |   |
| Inventory Turnover Ratio (In times)         | Cost of Inventory consumed               | Average Inventory                                 | 3.31           | 3.72           | (11.10%)  |   |
| Trade Receivables turnover ratio (In times) | Net Credit Sales                         | Average Trade Receivables                         | 3.28           | 3.84           | (14.69%)  |   |
| Trade Payables turnover ratio (In times)    | Net credit purchases                     | Average Trade payables and provision for expenses | 4.47           | 5.26           | (14.92%)  |   |
| Net Capital Turnover Ratio (In times)       | Revenue from operations                  | Working capital                                   | 135.18         | (105.38)       | (228.28%) | Due to increase in sales and working capital. |

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

| Particulars                    | Numerator              | Denominator      | March 31, 2025 | March 31, 2024 | % Change | Remarks for variance more than 25% |
|--------------------------------|------------------------|------------------|----------------|----------------|----------|------------------------------------|
| Net profit ratio (%)           | Net profit after taxes | Net Sales        | 2.51%          | 3%             | (0.68%)  |                                    |
| Return on Capital employed (%) | EBIT                   | Capital Employed | 24.39%         | 30%            | (6.05%)  |                                    |

**48 ACQUISITIONS**

The Company has acquired the following entities during the period:

- On April 01, 2024, the Company has acquired Siddhi Vinayaka Fashions LLP as a going concern on a slump sale, for a total consideration of Rs. 83.00 million. Siddhi Vinayaka Fashions LLP is engaged in the activity of retail trading of garments. The acquisition was carried out through a business transfer agreement. There is no difference between the identifiable net assets acquired and the consideration.
- On April 01, 2024, the Company has acquired Merit Retail Private Limited as a going concern on a slump sale, for a total consideration of Rs. 38.08 million. Merit Retail Private Limited is engaged in activity of retail trading of garments. The acquisition was carried out through a business transfer agreement. There is no difference between the identifiable net assets acquired and the consideration.
- On April 01, 2024, the Company has acquired Status Textiles & Garments as a going concern on a slump sale, for a total consideration of Rs. 63.49 million. Status Textiles & Garments is engaged in activity of retail trading of garments. The acquisition was carried out through a business transfer agreement. There is no difference between the identifiable net assets acquired and the consideration.

**49 SUBSEQUENT EVENTS**

Formulation of ESOP Scheme: The Company has adopted two ESOP Schemes i.e., the ESOP (Growth) Scheme 2025 and Thank You ESOP Scheme 2025, pursuant to the resolutions passed by the Board of Directors of the Company in its meeting held on June 26, 2025 and special resolution passed by Shareholders in Extra-ordinary General Meeting of the Company held on June 30, 2025. The objective of ESOP (Growth) scheme 2025 is to reward employees for their association, dedication and contribution to the goals of the Company. The options granted under this scheme shall vest with minimum one year from date of listing and maximum four years from the date of listing. Thank You ESOP Scheme 2025 is aimed at recognising and appreciating critical roles played by its employees in driving the organisation's growth and enabling such employees to share the wealth that they helped to create for the organisation over past years. The options granted under this scheme shall vest with minimum one year from date of listing and maximum two years from the date of listing.

**50 EXCEPTIONAL ITEMS - LOSS DUE TO FIRE**

During the financial year 2024-25, a fire incident occurred at one of the retail outlets of the Company located in Srikakulam on January 25, 2025. The incident resulted in damage to inventory amounting to Rs.90.66 million and to property, plant and equipment amounting to Rs. 21.96 million.

The Company had appropriate insurance coverage under the Standard Fire and Special Perils Policy. A claim has been duly lodged with the insurer, and as part of the ongoing assessment, the Company has received Rs. 19.13 million towards the sale value of damaged inventory subsequent to the reporting date.

Based on a preliminary assessment, management does not anticipate any material adverse impact on the Company's overall operations or financial position. The net loss, after considering the proceeds from the damaged inventory received subsequent to the reporting date, has been recognised as an exceptional item in the financial statements.

**Notes to Financial Statements (Contd.)**

**Summary of Material Accounting Policies and Other Explanatory Information**

(All amounts are in Rs. million, unless otherwise stated)

Further accounting adjustments, if any, will be made upon final settlement of the insurance claim and completion of the loss assessment process.

- 51** Previous year figures have been regrouped/re-classified wherever necessary, to confirm to current year's classification in order to comply with the requirements of the Schedule III to the Companies Act, 2013. The nature of reclassification and re-groupings are disclosed in Note 34 of the Financial Statements.

The accompanying notes are an integral part of the Financial Statements.  
As per our report of even date

**For Laxminiwas & Co**  
Chartered Accountants  
Firm Registration No: 011168S

**For and on behalf of the Board of directors**  
**RSB RETAIL INDIA LIMITED (FORMERLY KNOWN AS 'R S BROTHERS RETAIL INDIA LIMITED')**  
(CIN : U47510TG2008PLC058454)

**Vijay Singh**  
Partner  
Membership No. 221671

**Potti Venkateswarlu**  
Chairperson and Whole-Time Director  
DIN: 01430443

**Seerna Rajamouli**  
Managing Director  
DIN: 01980976

**CA R Gowrisankar**  
Chief Financial Officer  
Membership No. 211762

**T S Maharani**  
Company Secretary and Compliance Officer  
Membership No. F8069

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

Place: Hyderabad  
Date: August 13, 2025

R.S. Brothers™



**RSB Retail India Limited  
Registered Office**

Door No 7-2-1740,  
Warehouse No 14 & 15, Opposite Fire  
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