

INDEPENDENT AUDITORS' REPORT

To the Members of Imagine Marketing Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Imagine Marketing Private Limited (“the Company”), which comprise the standalone balance sheet as at 31 March 2020, the standalone statement of profit and loss, and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company’s Director’s Report, but does not include the standalone financial statements and our auditors’ report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT *(Continued)*

Imagine Marketing Private Limited

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

INDEPENDENT AUDITORS' REPORT *(Continued)*

Imagine Marketing Private Limited

Auditor's Responsibilities for the Audit of the Financial Statements *(Continued)*

- Conclude on the appropriateness of the Management and Board of Directors 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss, and standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

INDEPENDENT AUDITORS' REPORT *(Continued)* **Imagine Marketing Private Limited**

Report on Other Legal and Regulatory Requirements *(Continued)*

- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position - Refer Note 26 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 41 to the standalone financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

According to the information and explanations given to us, the Company is incorporated as a private company and thus the provisions of Section 197 of the Act are not applicable to the Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

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Cusrow Noshir Pardiwalla
Partner

Membership No. 117091
ICAI UDIN: 20117091AAAABR8490

Mumbai
30 October 2020

Annexure A to the Independent Auditors' report on the standalone financial statements of Imagine Marketing Private Limited for the year ended 31 March 2020

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).
- (b) The Company has a regular programme of physical verification of its fixed assets (property, plant and equipment) by which all fixed assets (property, plant and equipment) are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. In accordance with said programme, fixed assets (property, plant and equipment) were physically verified by the management during the year and no material discrepancies were noticed upon 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, the Company does not have any immovable properties. Accordingly, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (ii) The inventory, except goods in transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and these have been properly dealt with in the books of accounts.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to firms or limited liabilities partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or securities to the parties covered under Section 185 and 186 of the Act. The Company has complied with the requirements of Section 186 of the Act for the investment made during the year.
- (v) In our opinion, and according to information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for products sold by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of profession tax, provident fund, employees' state insurance, goods and service tax, duty of customs and cess have been regularly deposited during the year by the Company with appropriate authorities. The amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of income tax have generally been regularly deposited during the year by the Company with appropriate authorities though there have been slight delays in a few cases.

Annexure A to the Independent Auditors' report on the standalone financial statements of Imagine Marketing Private Limited for the year ended 31 March 2020 (Continued)

As explained to us, the Company did not have any dues on account of sales tax, service tax, duty of excise and value added tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of profession tax, provident fund, employees' state insurance, income tax, goods and service tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, duty of custom and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank, financial institution and debenture holders. The Company did not have any outstanding dues to government during the year.
- (ix) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any money by way of initial public offer, further public offer (including debt instruments) or term loans with a repayment period beyond 36 months during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, the Company is not a public company and thus the provisions of Section 197 read with Schedule V of the Act is not applicable to the Company. Accordingly, paragraph 3 (xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act. The Company does not fall under the definition of a listed company or other class of companies which is required to constitute an audit committee under Section 177 (4) (iv) of the Act and hence the said Section is not applicable to the Company.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.

Annexure A to the Independent Auditors' report on the standalone financial statements of Imagine Marketing Private Limited for the year ended 31 March 2020 (Continued)

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

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

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Cusrow Noshir Pardiwalla
Partner

Membership No. 117091
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Mumbai
30 October 2020

Annexure B to the Independent Auditors' report on the standalone financial statements of Imagine Marketing Private Limited for the year ended 31 March 2020

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

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Imagine Marketing Private Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

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

Annexure B to the Independent Auditors' report on the standalone financial statements of Imagine Marketing Private Limited for the year ended 31 March 2020 (Continued)

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

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

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Partner

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Mumbai
30 October 2020

Imagine Marketing Private Limited

Standalone Statement of profit and loss

for the year ended 31 March 2020

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2020	31 March 2019
Revenue from operations	19	7,004,383,791	2,394,401,482
Other income	20	36,914,314	13,037,562
Total revenue		7,041,298,105	2,407,439,044
Expenses			
Purchase of stock-in-trade	21	5,002,074,064	2,020,287,329
(Increase) in inventories of stock-in-trade	22	(476,666,220)	(269,552,170)
Employee benefit expenses	23	63,397,535	134,619,494
Finance costs	24	85,170,614	18,851,585
Depreciation expense	11	3,180,099	1,697,927
Other expenses	25	1,698,519,993	377,570,825
		6,375,676,085	2,283,474,990
Profit before tax		665,622,020	123,964,054
Tax Expense:			
- Current tax		187,276,534	36,760,572
- Deferred tax (Credit)		(16,881,881)	(304,971)
- Short / (excess) provision of tax for earlier years		-	212,870
Profit for the year		495,227,367	87,295,583
Earnings per equity share	30		
Basic earnings per equity share (Rs)		9,905	1,746
Diluted earnings per equity share (Rs)		8,982	1,625
(Nominal value Rs 10 per share)			

Significant accounting policies

1-2

Notes to the standalone financial statements

3-42

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

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

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Cusrow Noshir Pardiwalla

Partner

Membership No: 117091

Mumbai
30 October 2020

For and on behalf of the Board of Directors of Imagine Marketing Private Limited

CIN: U52300MH2013PTC249758

AMAN GUPTA

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Aman Gupta

Director

DIN: 02249682

Mumbai
30 October 2020

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Sameer Mehta

Director

DIN: 02945481

Mumbai
30 October 2020

Imagine Marketing Private Limited

Standalone Statement of cash flows

for the year ended 31 March 2020

(Currency: Indian Rupees)

	31 March 2020	31 March 2019
A. Cash flows from operating activities		
Profit before tax	665,622,020	123,964,054
Adjustments for :		
Expenses on Employee stock option outstanding account	1,295,909	-
Finance costs	85,170,614	18,851,585
Depreciation Expense	3,180,099	1,697,927
Liabilities written back	(2,458,152)	-
Interest on Fixed Deposits	(895,200)	-
Provision for Doubtful Debts	63,660,000	-
Provision for Warranty	86,000,000	-
Provision for expected Sales Return	89,753,254	-
Unrealised foreign exchange loss	279,581	4,947,224
Operating cash flow before working capital changes	991,608,125	149,460,790
Adjustments for :		
(Decrease)/Increase in other current liabilities	(78,674,939)	40,866,896
Increase in long-term provisions	535,674	257,654
Increase in short-term provisions	872,943	227,717
Increase in trade payable	150,103,462	113,940,178
(Increase) in trade receivables	(228,258,481)	(225,169,876)
(Increase) in inventories	(476,666,220)	(269,552,170)
(Increase) in short-term loans and advances	(217,356,526)	(44,290,740)
(Increase) in long-term loans and advances	(14,500,493)	(1,350,000)
(Increase) in other current assets	(1,768,904)	-
Cash flows generated from / (used in) operating activities	125,894,641	(235,609,551)
Income taxes paid (net)	117,741,000	25,541,379
Net cash flow generated from (used in) operating activities	8,153,641	(261,150,930)
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(9,883,613)	(2,454,390)
Investment made in Equity Shares of an Associate Company	(50,000,017)	-
Investment in Fixed Deposit (Lien towards RBL CC facility)	(12,500,000)	-
Interest on Fixed Deposits	868,568	-
Net cash flow (used in) investing activities	(71,515,062)	(2,454,390)
C. Cash flows from financing activities		
Interest and other borrowing costs paid	(72,158,647)	(15,090,169)
Proceeds from issue of preference shares, including securities premium	-	210,000,429
Proceeds from short-term borrowings (net)	77,133,411	68,196,107
Proceeds from issue of debentures	150,000,000	-
Repayment towards debenture	(37,500,000)	-
Proceeds from term loan (net)	18,823,531	-
Net cash flow from financing activities	136,298,295	263,106,367
Net Increase/(decrease) in cash and cash equivalents	72,936,874	(498,953)
Cash and cash equivalents at the beginning of the year (Refer note below)	218,488	717,441
Cash and cash equivalents at the end of the year (Refer note below)	73,155,362	218,488

Imagine Marketing Private Limited

Standalone Statement of cash flows

for the year ended 31 March 2020

(Currency: Indian Rupees)

Notes to standalone statement of cash flows

The above standalone statement of cash flows has been prepared under the Indirect Method set out in Accounting Standard 3 on cash flow statement (AS-3) prescribed by the Central Government, in accordance with the Companies (Accounting Standard) Rules, 2014.

	31 March 2020	31 March 2019
Components of cash and cash equivalents:		
Cash on hand	10,903	99,935
Balances with banks		
- on current accounts	73,144,459	118,553
Total cash & cash equivalent for cash flow	73,155,362	218,488
Other Bank Balances:	12,500,000	-
Total cash and bank balance (Refer note 16)	85,655,362	218,488

As per our report of even date attached.

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

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Cusrow Noshir Pardiwalla
Partner
Membership No: 117091

Mumbai
30 October 2020

For and on behalf of the Board of Directors of
Imagine Marketing Private Limited
CIN: U52300MH2013PTC249758

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Director
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Sameer Mehta
Director
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Mumbai
30 October 2020

Mumbai
30 October 2020

Imagine Marketing Private Limited

Notes to the standalone financial statements

for the year ended 31 March 2020

(Currency: Indian Rupees)

1. Background

Imagine Marketing Private Limited was incorporated on 1 November 2013 under the erstwhile Companies Act, 1956. The Company is engaged in the business of Trading of Mobile accessories.

2. Significant accounting policies

2.1 Basis of preparation of standalone financial statements

The standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time and other relevant provisions of the Companies Act, 2013, to the extent applicable.

The accounting policies set out below have been applied consistently in the periods presented in these standalone financial statements.

2.2 Use of estimates

The preparation of standalone financial statements in conformity with Generally Accepted Accounting principles ('GAAP') requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the standalone financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Estimates of Uncertainties relating to the Global Health Pandemic from COVID-19:

The COVID-19 pandemic is a global humanitarian and health crisis. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, resulted in significant disruption to people and businesses. The pandemic has impacted, and may further impact, all of the Company's stakeholders – employees, clients, investors and communities in which it operates.

In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of monetary assets, inventory, receivables, advances, property plant and equipment, etc. as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external information such as its current contract terms, financial strength of partners, investment profile, future volume estimates from the business etc. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Company's standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.3 Current/non-current classification:

Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

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

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

Current assets include the current portion of non-current assets.

All other assets are classified as non-current.

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

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

Current liabilities include current portion of non-current liabilities.

All other liabilities are classified as non-current.

Operating cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out above which are in accordance with the Schedule III to the Act.

Based on the nature of products and the time between the acquisition of assets and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.4 Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss, if any. Cost comprise of purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Acquisitions and disposals are accounted for at the date of completion of transactions.

Depreciation is provided on Written Down Value Method ('WDV'), pro-rata to the period of use of assets, in the manner specified in Schedule II to the Companies Act, 2013, based on the useful life of assets as prescribed under the Companies Act, 2013. The useful life and residual values are periodically reviewed by management and changes are made prospectively

Assets individually costing up to Rs 5,000 are fully depreciated in the year of purchase.

Losses arising from retirement and gains or losses arising from disposal of the property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss.

Advance paid for acquisition / construction of property plant and equipment which are not ready for their intended use at each balance sheet date are disclosed under loans and advances as capital advances.

2.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Revenue Recognition

Revenue from sale of goods is recognized on transfer of all significant risks and rewards of ownership to buyers upon delivery to customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount of revenue is recognized net of taxes and discounts. The expected sales return provision is created based on previous 12 months sales return trend, the amount of expected sales return provision is netted of from revenue.

Revenue from sales of goods on consignment basis is recognized when goods are sold by our customers to end customers.

Interest income is recognized on time proportion basis and other miscellaneous income are accounted as and when the transactions occur.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.7 Inventories

Inventories which comprise of traded goods are carried at the lower of cost and net realisable value. Cost of inventories comprises all costs of purchase, and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, moving weighted average cost method is used.

2.8 Investments

Investments that are readily realizable and intended not to be held for more than one year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. Long-term investments are stated at cost. Provision is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are stated at lower of cost and fair value, computed separately in respect of each category of investment.

Investment in Associate Company is accounted for using the Cost method and tested for impairment.

2.9 Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of profit and loss of the year in which the related service is rendered.

(ii) Post-employment benefits

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme and Employees' State Insurance Corporation which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined benefits plan:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually by a qualified independent actuary using the projected unit credit method.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of profit and loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.9 Employee benefits (*continued*)

When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in the Statement of profit and loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Employee stock option schemes:

The compensation cost of stock options granted to employees is measured by the Intrinsic Value method. The intrinsic value, which is the excess of the market price of the underlying equity shares as of the date of the grant over the exercise price of the option, is recognized and amortized on straight line basis over the vesting period.

2.10 Foreign currency transactions

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the period in which the transaction is settled. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Foreign currency denominated transactions are translated at exchange rates existing on the date of transaction.

2.11 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the statement of profit and loss over the lease term.

2.12 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2.13 Loan processing charges

Loan processing charges are debited to statement of profit and loss as and when incurred.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.14 Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. The provisions are measured on an undiscounted basis.

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

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are not recognised in the standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and the related income are recognised in the period in which the change occurs.

2.15 Provision for warranty

The Company recognises provision for warranties in respect of the products that it sells. These are reviewed at each balance sheet date and adjusted to reflect the current estimates. A provision is recognised for expected warranty claims on products sold during the year.

2.16 Income taxes

Income tax expense comprises current income tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The Company has availed the option of paying income tax as per tax rate under Section 115BAA which has been newly introduced by the Government of India through the Taxation (Amendment) Ordinance 2019 on the 20th of September 2019.

Current income tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; however, where there is unabsorbed depreciation under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

2.17 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit/(loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed using the weighted average number of equity shares outstanding during the year adjusted for the effects of dilutive potential equity shares, except where the results would be anti-dilutive.

Imagine Marketing Private Limited

Notes to the standalone financial statements (*continued*)

for the year ended 31 March 2020

(Currency: Indian Rupees)

2.18 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short term highly liquid investments with original maturities of three months or less.

2.19 Segment Reporting

As the Company's business activity falls within a single business segment viz. 'Trading of mobile Accessories' and the sales being in the domestic market, the financial statement are reflective of the information required by Accounting Standard 17 "Segment Reporting", notified under Companies (Accounting Standard) Rules, 2014.

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

as at 31 March 2020

	31 March 2020	31 March 2019
3 Share capital		
Authorised share capital		
60,000 (Previous year: 60,000) equity shares of Rs.10 each	600,000	600,000
10,000 (Previous year: 10,000) preference shares of Rs.10 each	100,000	100,000
Issued, subscribed and paid-up		
Equity share capital		
50,000 (Previous year: 50,000) equity shares of Rs 10 each, fully paid up	500,000	500,000
Preference share capital		
5,109 (Previous year: 5,109) 0.01% Non-Cumulative Compulsory Convertible preference shares of Rs.10 each	51,090	51,090
	551,090	551,090

a Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	31 March 2020		31 March 2019	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	50,000	500,000	50,000	500,000
Shares issued during the year	-	-	-	-
At the end of the year	50,000	500,000	50,000	500,000
Preference shares				
At the commencement of the year	5,109	51,090	-	-
Shares issued during the year	-	-	5,109	51,090
At the end of the year	5,109	51,090	5,109	51,090

b Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held and after payment to the secured and unsecured loan.

c Rights and terms of conversion to preference shares

The Company has one class of preference shares i.e. Compulsorily Convertible Preference Shares ('CCPS') convertible at a ratio of 1:1 (that is 1 Equity Share shall be issued upon conversion of 1 Preference Share), having a right to preferred non - cumulative dividend of 0.01% per annum and of the par value of Rs 10 each in the capital of the Company, including Series A CCPS and Series A1 CCPS. Each Preference Share may be converted into Equity Shares at any time at the option of the holder of that Preference Share and/or if mandated by Applicable Laws.

Subject to applicable Laws, the preference shares shall be automatically converted into equity shares in the ratio of 1 Equity Share for 1 Preference Share ('Conversion Ratio'), upon the earlier of (i) Qualified financing; (ii) upon the expiry of 20 years from the Closing Date; or (ii) in connection with an IPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Applicable Law.

In the event of a liquidation, the holders of CCPS will have priority over equity shareholders in the payment of dividend and repayment of capital.

d Particulars of shareholders holding more than 5% shares of Company

Name of the shareholder	31 March 2020		31 March 2019	
	No. of shares	%	No. of shares	%
Equity shares of Rs 10 each fully paid up held by				
Mr.Sameer Mehta	25,000	50%	25,000	50%
Mr.Aman Gupta	25,000	50%	25,000	50%
Preference shares of Rs 10 each fully paid up held by				
Milestone Trusteeship Services Private Limited (Trustee of Fireside Ventures Investment Fund)	5,109	100%	5,109	100%

e Of the above Authorised Share Capital, 256 equity shares have been kept reserved towards issue of Employee Stock Option Plan at an exercise price of Rs. 60,533 per share to be issued post completion of 4 years vesting period by the eligible employees

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

as at 31 March 2020

	31 March 2020	31 March 2019
4 Reserves and surplus		
Securities premium account		
At the commencement of the year	209,949,339	-
Add : Securities premium on preference shares issued	-	209,949,339
At the end of the year	<u>209,949,339</u>	<u>209,949,339</u>
Debenture Redemption Reserve		
At the commencement of the year	-	-
Transferred from Surplus (Profit and loss balance)	11,250,000	-
At the end of the year	<u>11,250,000</u>	<u>-</u>
Employee stock option outstanding account		
At the commencement of the year	-	-
Add During the Year	1,295,909	-
At the end of the year	<u>1,295,909</u>	<u>-</u>
Surplus (Profit and loss balance)		
At the commencement of the year	170,980,839	83,685,256
Add: net profit for the year	495,227,367	87,295,583
Less: Appropriations Transfer to Debenture Redemption Reserve	(11,250,000)	-
At the end of the year	<u>654,958,206</u>	<u>170,980,839</u>
Total reserves and surplus	<u>877,453,454</u>	<u>380,930,178</u>
5 Long Term Borrowings		
Secured		
14.50% Non-convertible debentures of Rs 100,000 each	112,500,000	-
Term Loan from other Parties	18,823,531	-
Less: Current maturities of Long-term borrowings	(131,323,531)	-
	<u>-</u>	<u>-</u>

Note:

- i a) Debenture has been obtained by the Company from BAC Acquisition Pvt Ltd on 21 June 2019 which carries an interest rate 14.50% per annum & Redemption Premium of Rs.52,50,000 payable in December 2020, against the pledge of 14,480 Equity share (7,240 owned by Mr. Sameer Ashok Mehta and 7,240 Owned by Mr. Aman Gupta) having face value of Rs 10 per share. Debenture is repayable in 12 monthly installment amounting of Principal Repayment of Rs 1,25,00,000 per month from January 2020 plus the Interest for number of days of the month
- b) Secured loan has been obtained by the Company from Innoven Capital India Pvt Ltd towards Term Loan on 18 July 2019 which carries an interest rate 14.80% per annum, against the pledge of 7,500 Equity share (3,750 owned by Mr. Sameer Ashok Mehta and 3,750 Owned by Mr. Aman Gupta) having face value of Rs 10 per share. Loan is repayable in 17 monthly installment amounting of Principal Repayment of Rs 23,52,941 per month from August 2019 plus the Interest for number of days of the month

	31 March 2020	31 March 2019
6 Long-term provisions		
Provision for employee benefits:		
- Gratuity (Refer note 32b)	793,328	257,654
	<u>793,328</u>	<u>257,654</u>
7 Short-term borrowings		
Secured:		
Cash credit from banks (refer note i below)	11,202,198	68,149,164
Loan repayable on demand		
- from other parties (refer note ii & iii below)	186,045,037	25,106,936
Unsecured: (refer note iv below)		
Loan repayable on demand		
- from other parties	17,500,000	44,357,723
Loans from directors and shareholders	7,242,613	7,242,613
	<u>221,989,848</u>	<u>144,856,436</u>

Note:

- i Cash Credit (CC) facility from CITI bank has been availed for meeting the working capital requirements of the Company and carries an interest rate at 9.75% per annum, computed on monthly basis on the actual amount utilised to be paid on last date of each month against the pledge of 2,500 Equity share (1,250 owned by Mr. Sameer Ashok Mehta and 1,250 Owned by Mr. Aman Gupta) having face value of Rs 10 per share. The Bank is entitled to change the rate of interest at any time or time to time subject to market condition and notify the condition to borrower. The bank is subject to charge extra 4% per annum of interest above to the rate agreed in case of default in repayment and 2% per annum prepayment charges subject to discretion of Bank. Bank CC is subject to annually renewable and repayable on demand.
- The Borrowing from CITI Bank is secured against hypothecation on current and future stocks and book debts of company. The Bank have Pledge on the Debt Mutual fund amounting to Rs 24,000,000 in name of Company. There is personal guarantee of Directors Mr Sameer Mehta and Mr Aman Gupta.
- ii Secured loan has been obtained by the Company from TATA Capital Pvt Ltd towards Working Capital through Sales Invoice Discounting Facility of Invoices of Flipkart India Pvt Ltd which carries an interest rate 10.90% per annum, against the personal guarantee of Mr. Sameer Ashok Mehta and Mr. Aman Gupta) Loan is repayable as per due dates of Invoices of Flipkart and interest on transaction basis for the amount utilised for number of days.
- iii Secured loan has been obtained by the Company from Innoven Capital India Pvt Ltd towards Working Capital on 06 January 2020 which carries an interest rate 14.80% per annum, against the pledge of 7,500 Equity share (3,750 owned by Mr. Sameer Ashok Mehta and 3,750 Owned by Mr. Aman Gupta) having face value of Rs 10 per share. Loan is repayable on demand in full and interest on monthly basis for the number of days in the month the company has repaid the entire loan subsequently on 05th April 2020
- iv Company has other unsecured Loan amounting to Rs 1,75,00,000 obtained from other corporates in the form of ICD's and loan bearing a interest rate ranging 12%. The loan interest and principal amount is repayable on demand on 2 months prior notice.
- Unsecured loan also includes Loan from Directors of Rs 2,500,000 (Rs 1,250,000 each for Mr. Sameer Mehta and Mr Aman Gupta) bearing 0% interest rate and Rs 4,742,613 from Sameer Mehta bearing 10% interest rate.

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

as at 31 March 2020

	31 March 2020	31 March 2019
8 Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (Refer note 36)	3,387,352	4,205,687
- Total outstanding dues of creditors other than micro enterprises and small enterprises	284,579,078	135,835,853
	<u>287,966,430</u>	<u>140,041,540</u>
9 Other current liabilities		
Current Maturities of Long Term Borrowings	131,323,531	-
Salaries and bonus payable	5,587,386	115,914,523
Accrued expenses	55,579,855	1,884,374
Interest accrued but not due on borrowings	2,200,516	4,242,872
Redemption Premium accrued but not due on Debenture	2,362,500	-
Statutory liabilities (refer note below)	18,396,099	39,244,016
Advance from customers	1,317,053	2,512,419
	<u>216,766,940</u>	<u>163,798,204</u>
Statutory liabilities includes:		
- Provident fund	328,771	129,892
- Labour Welfare Fund	37	-
- Profession tax	6,800	7,800
- Employee state insurance corporation	6,883	11,250
- Goods and Services Tax	12,905,256	-
- Tax deducted at source	5,148,352	39,095,074
	<u>18,396,099</u>	<u>39,244,016</u>
10 Short-term provision		
Provision for employee benefits:		
- Gratuity (Refer note 32b)	8,722	5,274
- Compensated absence (Refer note 32 (b))	1,091,938	222,443
Provision for taxation (net of advance taxes Rs. 10,51,30,890 [Previous year: Rs. 25,541,379])	94,837,467	11,219,193
Provision for Warranty	86,000,000	-
Provision for expected Sales Return	89,753,254	-
	<u>271,691,381</u>	<u>11,446,910</u>

Movement in other provision as per AS 29 :

Provision for Warranty	31 March 2020	31 March 2019
Opening Provision	-	-
Add : Provision for the year	273,471,523	48,869,657
Less : Reversal / Utilised during the year	187,471,523	48,869,657
Closing Provision	86,000,000	-

Provision for expected Sales Return	31 March 2020	31 March 2019
Opening Provision	-	-
Add : Provision for the year	819,211,710	-
Less : Reversal / Utilised during the year	729,458,456	-
Closing Provision	89,753,254	-

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued) as at 31 March 2020

(Currency: Indian Rupees)

11 Property, plant and equipment

Particulars	Gross block			Depreciation			Net block		
	As at 1 April 2019	Additions during the year	Disposal during the year	As at 31 March 2020	As at 1 April 2019	For the year	Disposal during the year	As at 31 March 2020	As at 31 March 2019
Tangible assets :									
Computers	2,790,014	2,415,423	-	5,205,437	1,363,646	1,484,163	-	2,847,809	1,426,368
Furniture and fixtures	632,532	1,172,867	-	1,805,399	162,733	320,432	-	483,165	469,799
Office equipments	856,945	6,295,323	-	7,152,268	434,184	1,375,504	-	1,809,688	422,761
Total	4,279,491	9,883,613	-	14,163,104	1,960,563	3,180,099	-	5,140,662	2,318,928

Particulars	Gross block			Depreciation			Net block		
	As at 1 April 2018	Additions during the year	Disposal during the year	As at 31 March 2019	As at 1 April 2018	For the year	Disposal during the year	As at 31 March 2019	As at 31 March 2018
Tangible assets :									
Computers	840,701	1,949,313	-	2,790,014	144,349	1,219,297	-	1,363,646	696,352
Furniture and fixtures	395,939	236,593	-	632,532	21,580	141,153	-	162,733	374,359
Office equipments	588,461	268,484	-	856,945	96,707	337,477	-	434,184	491,754
Total	1,825,101	2,454,390	-	4,279,491	262,636	1,697,927	-	1,960,563	1,562,465

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

as at 31 March 2020

	31 March 2020	31 March 2019
12 Non-current investments		
<i>(Valued at cost, Trade investments)</i>		
Investment in Equity shares		
-In Associated Company		
3,703 (Previous year: Nil) Equity shares of Sirena Labs Private Limited of face value Rs 10 each, fully paid up	50,000,017	-
	<u>50,000,017</u>	<u>-</u>
<i>(Valued at cost, Non-Trade investments)</i>		
Investment in mutual funds - quoted		
948,870.13 units (Previous year: 948,870.13) L&T Resurgent India Corporate Bond - Growth	12,000,000	12,000,000
882,463.47 units (Previous year: 882,463.47) Reliance Corporation Bond Fund - Growth (Lien against Citibank CC facility)	12,000,000	12,000,000
	<u>24,000,000</u>	<u>24,000,000</u>
	<u>74,000,017</u>	<u>24,000,000</u>
Aggregate amount of quoted investments	24,000,000	24,000,000
Net Asset Value of quoted investments	23,265,962	25,884,199
Aggregate amount of unquoted investments.	50,000,017	-
Aggregate provision for diminution in value of investments	-	-
13 Long-term loans and advances		
<i>(Unsecured, considered good unless stated otherwise)</i>		
Security deposits :		
To parties other than related parties	15,850,493	1,350,000
To related parties	-	-
Advance income tax (net of provision for tax Rs. 68,151,489 [Previous year Rs. 30,00,000])	8,290,917	6,900,000
	<u>24,141,410</u>	<u>8,250,000</u>
14 Inventories		
<i>(Valued at the lower of cost and net realisable value)</i>		
Stock-in-trade (including goods in transit Rs 16,74,32,695 (Previous year: Rs 86,094,566)	807,921,873	331,255,653
	<u>807,921,873</u>	<u>331,255,653</u>
15 Trade receivables		
<i>(Unsecured, considered good unless stated otherwise)</i>		
Receivable outstanding for period exceeding 6 months from the date they became due for payment		
Considered good		
From related parties	-	-
From other than related parties	218,260	9,861,340
	<u>218,260</u>	<u>9,861,340</u>
Considered doubtful		
From related parties	-	-
From other than related parties	14,241,221	-
	<u>14,241,221</u>	<u>-</u>
Less: Provision for doubtful debts		
From related parties	-	-
From other than related parties	(14,241,221)	-
	<u>(14,241,221)</u>	<u>-</u>
	<u>218,260</u>	<u>9,861,340</u>
Other Receivable		
Considered good		
From related parties	4,558,916	225,555
From other than related parties	547,968,363	378,060,163
	<u>552,527,279</u>	<u>378,285,718</u>
Considered doubtful		
From related parties	-	-
From other than related parties	49,418,779	-
	<u>49,418,779</u>	<u>-</u>
Less: Provision for doubtful debts		
From related parties	-	-
From other than related parties	(49,418,779)	-
	<u>(49,418,779)</u>	<u>-</u>
	<u>552,527,279</u>	<u>378,285,718</u>
	<u>552,745,539</u>	<u>388,147,058</u>
Debts due by Private company in which director is a director		
Kores India Private Limited	-	225,555

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

as at 31 March 2020

	31 March 2020	31 March 2019
16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	10,903	99,935
Balances with banks		
- in current accounts	73,144,459	118,553
Other Bank Balances:		
Balances with bank in fixed deposit (Lien towards RBL cash credit facility) :		
- With maturity of less than 12 months	12,500,000	-
	<u>85,655,362</u>	<u>218,488</u>
17 Short-term loans and advances		
<i>(Unsecured, considered good unless stated otherwise)</i>		
Advance to suppliers	206,439,823	82,874,390
Balances with Government authorities		
- Goods and Services Tax credit receivable	78,292,998	2,259,820
- Custom Duty	14,715,041	-
- Sales Tax/ Value Added Tax	56,908	56,908
Loans and advances to employees	932,984	559,519
Prepaid expenses	3,889,088	1,044,679
Security deposits	450,000	625,000
	<u>304,776,842</u>	<u>87,420,316</u>
18 Other Current Assets		
Unsecured and considered good		
Interest receivable on Fixed Deposit	26,632	-
Interest receivable on Trade Advance	1,768,904	-
	<u>1,795,536</u>	<u>-</u>

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

for the year ended 31 March 2020

	31 March 2020	31 March 2019
19 Revenue from operations		
Sale of products	7,004,383,791	2,394,401,482
	<u>7,004,383,791</u>	<u>2,394,401,482</u>
Break-up of revenue from sale of products		
Wired earphone	1,190,700,336	754,098,078
Wired headphone	128,803,885	87,110,546
Wireless earphone	2,716,426,093	323,652,551
Wireless headphone	1,040,368,319	656,868,276
Wireless speakers	1,132,184,282	529,728,704
Others	795,900,876	42,943,327
	<u>7,004,383,791</u>	<u>2,394,401,482</u>
20 Other income		
Net gain on account of foreign exchange fluctuations	28,669,948	11,608,518
Interest on Fixed Deposit	895,200	-
Interest on Trade Advances	1,768,904	-
Miscellaneous income (includes liabilities written back, insurance claim etc)	5,580,262	1,429,044
	<u>36,914,314</u>	<u>13,037,562</u>

Imagine Marketing Private Limited

Notes to standalone financial statements (Continued)

for the year ended 31 March 2020

	31 March 2020	31 March 2019
21 Purchase of stock-in-trade		
Purchase of stock-in-trade	5,002,074,064	2,020,287,329
	<u>5,002,074,064</u>	<u>2,020,287,329</u>
Break-up of purchase of of stock-in-trade		
Wired earphone	915,781,308	549,742,379
Wired headphone	781,428,189	66,385,311
Wireless earphone	916,858,456	231,767,003
Wireless headphone	101,780,305	518,245,768
Wireless speakers	1,590,843,394	455,629,919
Others	695,382,412	198,516,949
	<u>5,002,074,064</u>	<u>2,020,287,329</u>
22 (Increase)/ decrease in inventories of stock-in-trade		
Opening inventory of stock-in-trade	331,255,653	61,703,483
Closing inventory of stock-in-trade	807,921,873	331,255,653
	<u>(476,666,220)</u>	<u>(269,552,170)</u>
23 Employee benefit expenses		
Salaries, bonus, stipend and other allowances	58,788,967	133,579,567
Contribution to provident and other funds (Refer note 32 (a))	1,673,644	554,556
Gratuity (Refer note 32 (b))	539,122	262,928
Compensated absences (Refer note 32 (b))	1,099,893	222,443
Expense on Employee Stock Option Plan (Refer note 34)	1,295,909	-
	<u>63,397,535</u>	<u>134,619,494</u>
24 Finance costs		
Interest Expenses :		
Interest on debentures	16,530,993	-
Interest on borrowings from banks and others	44,687,465	16,848,597
Interest on delayed payment of Income Tax	12,691,822	-
Other Borrowing Cost	11,260,334	2,002,988
	<u>85,170,614</u>	<u>18,851,585</u>
25 Other expenses		
Communication expenses	671,087	321,382
Freight and transportation charges	125,292,008	28,379,844
Electricity charges	1,609,598	299,041
Repairs and maintenance	3,095,783	1,662,290
Business promotion	508,778,736	150,789,955
Rent (Refer note 35)	12,305,707	1,681,000
Rates and taxes	3,327,154	3,271,135
Legal and professional Fees	22,344,315	10,917,912
Payment to Auditors (Refer note 27)	2,262,000	1,500,000
Bank charges	6,558,528	1,262,340
Commission paid	1,074,923	1,961,571
Printing and stationery	3,221,011	2,430,077
Refreshment and food expense	1,879,474	1,000,511
Discount	17,706,640	6,906,033
Conveyance and travelling	7,294,412	5,743,418
Selling and distribution	607,412,912	101,685,132
Insurance	5,050,507	1,599,791
Contract labour charges	24,302,325	4,577,412
Corporate Social Responsibility (Refer note 39)	761,576	-
Provision for Doubtful Debts	63,660,000	-
Warranty Expenses	273,471,523	48,869,657
Miscellaneous expenses	6,439,774	2,712,324
	<u>1,698,519,993</u>	<u>377,570,825</u>

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

26 Contingent liabilities and commitments

- (i) There has been a Supreme Court (SC) judgement dated 28th February 2019, relating to components of salary structure that need to be taken into account while computing the contribution to provident fund under the EPF Act. There are interpretative aspects related to the Judgement including the effective date of application. In view of the management, the liability for the period from date of the SC order to 31 March 2020 is not significant and has not been provided in the books of account. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.
- (ii) There are no other contingent liabilities and commitments as on 31 March 2020 (Previous Year NIL)

27 Payment to auditors (excluding taxes)

	31 March 2020	31 March 2019
Statutory audit	2,217,000	1,500,000
Out of pocket expenses	45,000	-
	2,262,000	1,500,000

28 Value of import calculated on CIF basis (on accrual basis)

	31 March 2020	31 March 2019
Purchase of traded goods (Including Warranty Expenses)	5,166,158,081	1,753,161,558

29 Deferred tax asset

	31 March 2020	31 March 2019
<i>Deferred tax asset:</i>		
Provision for gratuity	201,876	91,867
Excess of net block of property, plant and equipment for tax purpose over net block as per	397,009	179,702
Provision for compensated absence	274,841	-
Provision for bonus	256,503	-
Provision for Doubtful Debts	16,023,221	-
Deferred tax asset	17,153,450	271,569

30 Earnings per share

		31 March 2020	31 March 2019
Basic and diluted Earning Per Share			
<i>Basic</i>			
Net profit after tax attributable to equity shareholders	(A)	495,227,367	87,295,583
Calculation of the weighted average number of shares			
Number of equity shares at the beginning of the year		50,000	50,000
Add: shares issued during the year		-	-
Number of equity shares outstanding at the end of the year		50,000	50,000
Weighted average number of shares outstanding during the year	(B)	50,000	50,000
Nominal value of equity shares		10	10
Basic earning per share (face value of Rs 10 per share)	(A)/(B)	9,905	1,746
<i>Diluted</i>			
Calculation of the weighted average number of shares			
Number of equity shares at the beginning of the year		55,109	50,000
Add: preference shares issued, to be converted into equity shares		-	5,109
Add: ESOP outstanding		29	-
Number of equity shares outstanding at the end of the year		55,138	55,109
Weighted average number of shares outstanding during the year	(C)	55,138	53,720
Nominal value of equity shares			
Diluted earning per share (face value of Rs 10 per share)	(A)/(C)	8,982	1,625

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

31 Related party disclosures

A Related parties with whom transactions have taken place during the year

<i>Names of investors having substantial voting power of reporting enterprise:</i>	
Mr. Aman Gupta	
Mr. Sameer Mehta	
Mr. Kanwaljit Singh (Nominee of Fireside Ventures Investment Fund)	
<i>Associated Company</i>	
Sirena Labs Private Limited (w.e.f 05-11-2019)	
<i>Other related parties where transactions have taken place during the year :</i>	
Entities in which Key Management Personnel are having significant influence	
Redwood Interactive	
Kores India Private Limited	
<i>Key managerial personnel:</i>	
Mr. Aman Gupta	
Mr. Sameer Mehta	

B Transactions with related parties during the year

	31 March 2020	31 March 2019
Rent		
Redwood Interactive	300,000	300,000
Contribution paid towards equity share capital		
Sirena Labs Private Limited	50,000,017	-
Trade Advance given		
Sirena Labs Private Limited	40,000,000	-
Trade Advance received back		
Sirena Labs Private Limited	20,000,000	-
Interest on borrowings		
Kores India Private Limited	-	692,519
Mr. Sameer Mehta	451,577	496,945
Sales of goods		
Kores India Private Limited	887,034	225,555
Fireside Investment Advisory LLP	228,814	-
Mr. Kanwaljit Singh	28,602	-
Sirena Labs Private Limited	3,863,488	-
Purchase of Goods		
Kores India Private Limited	5,000	-
Sirena Labs Private Limited	3,357,720	-
Purchase of Services		
Sirena Labs Private Limited	3,000,000	-
Remuneration to Key managerial personnel		
Mr. Aman Gupta	9,999,996	59,999,996
Mr. Sameer Mehta	9,999,996	59,999,996

C Closing balance with related parties

	31 March 2020	31 March 2019
Short-term borrowings (including interest)		
Mr. Aman Gupta	1,250,000	1,250,000
Mr. Sameer Mehta	7,073,117	5,992,613
Trade receivables		
Kores India Private Limited	-	225,555
Sirena Labs Private Limited	4,558,916	-
Advance from Customers		
Redwood Interactive	72,326	843,802
Trade advance receivable		
Sirena Labs Private Limited	20,000,000	-
Reimbursement of expenses payable		
Mr. Aman Gupta	290,732	-
Mr. Sameer Mehta	-	75,809
Reimbursement of expenses receivable		
Mr. Aman Gupta	-	630,731
Remuneration payable to Key managerial personnel		
Mr. Aman Gupta	579,291	39,700,195
Mr. Sameer Mehta	430,266	74,714,668

There is a personal guarantee of key managerial personnel Mr Sameer Mehta & Mr Aman Gupta for the Cash Credit facility with outstanding balance of Rs. 112,02,198 (Previous year 681,49,164)

There is a pledge of 14,480 equity shares (7,240 owned by Mr. Sameer Ashok Mehta and 7,240 Owned by Mr. Aman Gupta) for debenture issued to BAC Acquisition Pvt Ltd.

There is a pledge of 7,500 equity shares (3,750 owned by Mr. Sameer Ashok Mehta and 3,750 Owned by Mr. Aman Gupta) for secured loan obtained from Innoven Capital India Pvt Ltd towards Working Capital & Term Loan.

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

32 Employee Benefit disclosures in accordance with Accounting Standard 15

(a) Defined Contribution Plans

Amount of Rs.16,73,644 (Previous year: Rs. 5,54,556) towards contribution to provident fund, Labour Welfare Fund and employees' state insurance corporation is recognised as an expense and included in employee benefit expense.

(b) The Company's Gratuity benefit is unfunded and it is defined benefit plan.

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service with maximum ceiling as per Company policies.

Amount recognised in balance sheet	31 March 2020	31 March 2019
Present value of obligations	802,050	262,928
(Liability) recognised in balance sheet	(802,050)	(262,928)

Movement in present values of defined benefit obligations	31 March 2020	31 March 2019
Defined benefit obligation at 1 April	262,928	-
Current service cost	356,248	262,928
Past Service Cost (non-vested benefits)	-	-
Past Service Cost (vested benefits)	-	-
Interest cost	20,042	-
Actuarial losses / (gains)	162,832	-
Benefits paid	-	-
Defined benefit obligation at 31 March	802,050	262,928

Expenses recognised in the statement of profit and loss	31 March 2020	31 March 2019
Current service cost	356,248	262,928
Interest on obligation	20,042	-
Net actuarial (gain)/ loss recognised in the year	162,832	-
Total included in 'employee benefits'	539,122	262,928

Principal actuarial assumptions	31 March 2020	31 March 2019
Mortality	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2006-08) Ult
Discount rate as at 31 March	6.85%	7.70%
Expected Rate of Return on Assets	-	-
Attrition Rate	10% p.a at younger ages reducing to 2.00% p.a at older ages	10% p.a at younger ages reducing to 2.00% p.a at older ages
Expected salary increase rate	7.00%	7.00%

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

33 Employee Benefit disclosures in accordance with Accounting Standard 15 (Continued)

(b) The Company's Gratuity benefit is unfunded and it is defined benefit plan. (Continued)

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

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds, which is consistent with the estimated terms of the obligation.

Five year experience history	31 March 2020	31 March 2019
Defined benefit obligation	802,050	262,928
(Surplus) / deficit in the plan	(802,050)	(262,928)
Experience (gain) adjustment on plan liabilities	-	-

(c) Amount recognised as an expense in respect of compensated absences is Rs. 1,099,893 (Previous year: Rs 222,443).

34 Employee share based payments (ESOP)

As at 31 March 2020, the Company has followed share-based payment arrangements for employees.

Employees Stock Option Scheme 2019 ('the Plan')

The Plan has been formulated by the Board of Directors of the company pursuant to the resolution passed in Extra Ordinary General Meeting held on 15th November 2019. The plan entitles eligible employees to purchase shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. As per the plan holders of vested options are entitled to purchase on equity share for every option at an exercise price of Rs.60,533

Employee Entitled	Number of Options	Vesting Conditions	Contractual life of options
Eligible Employees	256	Continued employment with the company	4 years

Share based payment expense

	31 March 2020	31st March 2019
Employee Stock Option Scheme 2019	1,295,909	-
Total expense recognized in 'employee benefits'	1,295,909	-

The activity in the Plan during the year ended 31st March 2020 is set out below:

Particulars	31 March 2020		31-Mar-19	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at 1st April	-	-	-	-
Granted	256	60,533	-	-
Forfeited	-	-	-	-
Expired	-	-	-	-
Exercised	-	-	-	-
Outstanding at 31st March	256	60,533	-	-
Exercisable at 31st March	-	-	-	-

The options outstanding at 31st March 2020 have an exercise price and a weighted average contractual life as given below:

Particulars	Number of outstanding options	Exercise price	Weighted average remaining life
Granted	256	60,533	9.13 years

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

34 Employee share based payments (ESOP) (continued)

Particulars	31 March 2020
Profit for the year	495,227,367
Less : Additional employee compensation cost based on fair value	(2,340,666)
Profit for the year as per fair value method	492,886,701
Basic Earning Per Share (EPS)	
Wighted average number of equity shares	50,000
Basic EPS as reported (in Rs.) (Refer note 30)	9,905
Proforma Basic EPS (in Rs.)	9,858
Diluted Earning Per Share (EPS)	
Wighted average number of equity shares (including dilutive ESOP shares)	55,138
Diluted EPS as reported (in Rs.) (Refer note 30)	8,982
Proforma Diluted EPS (in Rs.)	8,939

The following assumptions were used for calculation of fair value of grants

Particulars	31 March 2020
Risk-free interest rate	6.91%
Expected life of option(years)	9.50
Expected volatility	71.25%
Dividend Yeild	0.00%

35 Operating lease

Operating leases as lessee:

The Company has taken office and godown premises under non cancellable operating lease. The Company has given refundable security deposits in accordance with the agreed terms. Lease payments are recognized in the statement profit and loss under 'Rent' Rs. 12,305,707 (Previous year: Rs.1,681,000).

The future minimum lease payments under non-cancellable operating leases are as follows:

Particulars	31 March 2020	31 March 2019
Not later than one year	17,339,336	7,029,000
Later than one year but not later than five years	48,663,752	17,044,820
Later than five years	-	-

36 Due to micro and small enterprises

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, information has been determined to the extent such parties have been identified on the basis of information available with the Company:

	31 March 2020	31 March 2019
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	3,387,352	4,205,687
- Interest	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Imagine Marketing Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2020

(Currency: Indian Rupees)

37 Unhedged foreign currency exposure

Particulars	31 March 2020		31 March 2019	
	Amount in foreign currency	Amount in Rs	Amount in foreign currency	Amount in Rs
Payable				
USD	141,839	10,732,218	37,891	2,620,963
	141,839	10,732,218	37,891	2,620,963

38 Segment reporting

As the Company's business activity falls within a single business segment viz. 'Trading of mobile Accessories' and the sales being in the domestic market, the financial statement are reflective of the information required by Accounting Standard 17 "Segment Reporting", notified under Companies (Accounting Standard) Rules, 2014.

39 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013, a company is in the process of forming a CSR committee. The Company's management is in the process of identifying activities for spending with regards to CSR for the current year.

Other expenses include Rs. 761,576 (Previous year Rs.Nil) spent towards various schemes of Corporate Social Responsibility.

A) Gross amount required to be spent by the Company during the year is Rs. 2,479,281 (Previous year Rs. 761,576)

B) Amounts spent during the year Rs. 761,576 (Previous year Rs. Nil)

	Paid in Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	761,576	-	761,576

40 Investment under section 186 of the Companies Act, 2013

Investment in Associate company :

The details of investments under section 186 of the act read with the companies (Meetings of Board and its Powers) Rules, 2014 are as follows

Investment in equity shares :-

Name of the equity	31 March 2020	31 March 2019
Sirena Labs Private Limited	50,000,017	-

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

42 Other information

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company.

As per our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

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

CUSROW NOSHIR
PARDIWALLA

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Date: 2020.10.30 14:18:19 +05'30'

Cusrow Noshir Pardiwalla

Partner

Membership No: 117091

For and on behalf of the Board of Directors of

Imagine Marketing Private Limited

CIN: U52300MH2013PTC249758

AMAN
GUPTA

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Date: 2020.10.30 13:18:18 +05'30'

Mr.Aman Gupta

Director

DIN: 02249682

SAMEER
ASHOK
MEHTA

Digitally signed by SAMEER ASHOK MEHTA
DN: cn=U, o=IMMAGINE MARKETING PRIVATE LIMITED, postalCode=400019, st=MAHARASHTRA, serialNumber=750423637010404102, cn=SAMEER ASHOK MEHTA
Date: 2020.10.30 13:04:23 +05'30'

Mr.Sameer Mehta

Director

DIN: 02945481

Mumbai
30 October 2020

Mumbai
30 October 2020

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30 October 2020