

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
	SCB, Axis, DBS				
March 2024	Citi Bank, RBL, HDFC, ICI CI, HSBC, SC B, Axis, DBS	Trade Receivables	1,497.06	1,706.25	(209.19)

- (iii) 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 provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies (Subsidiary and Joint Venture) and granted unsecured loans to a subsidiary company, in respect of which the requisite information is as below. The Company has not made any investments in, or granted any loans, secured or unsecured, to firms, limited liability partnerships and other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided unsecured loans as below:

(All amount in Rs millions)

Particulars	Loans	Advances in the nature of loans
Aggregate amount during the year		
Subsidiary*	10.00	-
Others**	-	-
Balance outstanding as at balance sheet date - 31 March 2024		
Subsidiary*	37.00	14.63
Others**	0.04	-

*As per the Companies Act, 2013

**Others represents interest free unsecured loans to employees as per the policies/practice of the Company

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

of the records of the Company, loan given to wholly owned subsidiary company, Dive Marketing Private Limited amounting to Rs. 37.00 millions and interest thereon of Rs. 3.43 millions, are repayable on demand. As informed to us, the Company has not demanded repayment of the loan and interest during the year from Dive Marketing Private Limited. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans and advances in the nature of loans to related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act").

(All amount in Rs millions)

Particulars	Related Parties
Aggregate of loans and advances in the nature of loans	
- Repayable on demand (A)	37.00
- Agreement does not specify any terms or period of Repayment (B)	14.63
Total (A+B)	51.63
Percentage of loans and advances in the nature of loans to the total loans and advances in the nature of loans granted	99.92%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security as specified under Sections 185 and 186 of the Act. In respect of the investments made and loans given by the Company, in our opinion the provisions of Section 186 of the Act have been complied with. The Company has not granted loans, nor made any investments to which the provisions of Section of 185 of the Act apply.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products sold by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

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

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

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Duty of Customs which have not been deposited on account of any dispute are as follows:

(All amount in Rs Millions)

Name of the statute	Nature of the dues	Amount Demanded	Amount Paid	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Custom Duty	341.98	-	June 2019 to December 2020	Comm. of Customs (Import) ACC Sahar
Customs Act, 1962	Custom Duty	93.92	-	February 2018 to February 2020	Comm. of Customs (Import) JNCH

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC. Accordingly, clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses of Rs. 479.36 millions in the current financial year and Rs. 1,192.38 millions in the immediately preceding financial year.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Chartered Accountants

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

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Amar Sunder

Partner

Place: Mumbai

Date: 13 August 2024

Membership No.: 078305

ICAI UDIN:24078305BKAVFA5147

Annexure B to the Independent Auditor's Report on the standalone financial statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024

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

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

Opinion

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

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

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

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

Auditor's Responsibility

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

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

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

Annexure B to the Independent Auditor's Report on the standalone financial statements of Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited) for the year ended 31 March 2024 (Continued)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Chartered Accountants

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

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Amar Sunder

Partner

Place: Mumbai

Date: 13 August 2024

Membership No.: 078305

ICAI UDIN:24078305BKAVFA5147

Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited)

Standalone Balance Sheet As at 31 March 2024

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

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	214.27	210.06
Right-of-use assets	4	266.26	178.05
Intangible assets	5(A)	412.85	315.84
Intangible assets under development	5(B)	-	82.51
Financial assets			
Investments in Subsidiaries, Associate and Joint Venture	6	3,246.24	2,832.98
Other Investments	7	-	8.14
Other financial assets	8	38.97	266.31
Other tax assets (net)	9	221.58	181.63
Deferred tax assets (net)	9	551.13	379.90
TOTAL NON-CURRENT ASSETS		4,951.30	4,455.42
CURRENT ASSETS			
Inventories	10	4,293.23	4,616.48
Financial assets			
Trade receivables	11	1,497.06	2,694.15
Cash and cash equivalents	12	532.64	1,392.27
Bank balance other than cash and cash equivalents	13	1,935.00	1,930.40
Loans	14	37.04	27.45
Other financial assets	8	166.36	109.62
Other current assets	15	3,641.73	5,808.66
TOTAL CURRENT ASSETS		12,103.06	16,579.03
TOTAL ASSETS		17,054.36	21,034.45
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	16	96.15	96.10
Instruments entirely equity in nature	16	108.71	108.71
Other equity	17	4,510.61	4,924.97
TOTAL EQUITY		4,715.47	5,129.78
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	5,039.95	5,031.23
Lease liabilities	19	192.36	114.72
Provisions	20	15.73	11.85
TOTAL NON-CURRENT LIABILITIES		5,248.04	5,157.80
CURRENT LIABILITIES			
Financial Liabilities			
Borrowings	18	3,561.92	7,329.86
Lease liabilities	19	73.53	65.00
Trade payables			
Total outstanding dues of micro enterprise and small enterprises	21	91.09	29.35
Total outstanding dues of creditors other than micro enterprises and small enterprises	21	2,077.22	2,528.68
Other financial liabilities	22	73.29	78.62
Other current liabilities	23	97.78	57.39
Provisions	20	1,116.02	657.97
TOTAL CURRENT LIABILITIES		7,090.85	10,746.87
TOTAL LIABILITIES		12,338.89	15,904.67
TOTAL EQUITY AND LIABILITIES		17,054.36	21,034.45

Basis of preparation, measurement and material accounting policies

2

The accompanying notes 3 to 49 are an integral part of these Standalone Financial Statements.

As per our report of even date attached

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

Chartered Accountants

Firm Registration No. 101248W/W-100022

AMAR

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AMAR SUNDAR

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Date: 2024.08.13
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Amar Sunder

Partner

Membership No: 078305

For and on behalf of the Board of Directors of

Imagine Marketing Limited (formerly known as Imagine Marketing Private Limited)

CIN: U52300MH2013PLC249758

SAMEER

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SAMEER MEHTA

ASHOK

Date: 2024.08.13
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MEHTA

Sameer Mehta

Director and CEO

DIN: 02945481

Place: Mumbai

RAKESH

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RAKESH THAKUR

THAKUR

Date: 2024.08.13
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Rakesh Thakur

Chief Financial Officer

Place: Mumbai

AMAN

GUPTA

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AMAN GUPTA

Director

DIN: 02249682

Place: Delhi

SHREEKANT

JAYRAM

SAWANT

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SHREEKANT JAYRAM
SAWANT

Date: 2024.08.13
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Shreekant Sawant

Company Secretary

(A-30705)

Place: Mumbai

Mumbai, August 13, 2024

August 13, 2024