



RP-Sanjiv Goenka
Group

Growing Legacies



DIGIdrive

Unlocking the Power of Music

Anytime, Anywhere



ANNUAL REPORT
2023-24

Unlocking the Power of Music

Anytime, Anywhere

At Digidrive, it is our constant endeavour to unlock the power of music anytime, anywhere by blending nostalgia with advanced technology. Leveraging our exclusive partnership with Saregama, we directly bring to our customers the timeless charm of retro hits with our award-winning Carvaan series.



Carvaan has gained traction owing to its superior quality and extensive range across regional languages. More than a music player, it helps listeners relive their cherished memories. Besides offering quality products, we extend robust after-sales support to deliver an immersive listening experience to every customer.

Offering our customers what they want is our foremost priority. To this end, we solicit consumer insights and integrate advanced and scalable technology to offer complex yet customisable e-commerce solutions that cater to diverse customer needs. By deploying best-in-class technologies, we provide digital downloading and streaming services while efficiently managing a reliable supply chain. Our objective to ascertain that our customers can easily access their favourite music anytime they want remains key in all our efforts. As part of the esteemed

RP-Sanjiv Goenka Group, we also substantially benefit from strong corporate lineage; it bolsters our market position as well as promotes a culture of good governance and responsible business practices.

We have devised a comprehensive roadmap to drive our sustained growth going forward. This entails expanding our product suite, upgrading our technological infrastructure and forging strategic partnerships to stay ahead of the curve in the digital music distribution industry. Additionally, we are aligning our sales strategies with online marketplaces and a growing clientele by providing our customers with a seamless, enriched music experience. With an experienced management team at the helm, supported by a competent talent pool, we are confident in our ability to continue delivering music that touches the soul, anytime, anywhere.

Contents

02-10

Corporate Overview

- 02 About us
- 03 Our Product Portfolio
- 04 Financial highlights
- 05 Message from the Chairman
- 06 Leveraging Our Strengths for Strategic Success
- 07 Driving Digital Innovation
- 08 Our People
- 09 Board of Directors
- 10 Corporate Information

11-57

Statutory Reports

- 11 Notice
- 20 Board's Report
- 26 Management Discussion and Analysis
- 30 Report on Corporate Governance
- 44 Additional Shareholder Information
- 49 Secretarial Audit Reports
- 56 Other Particulars
- 57 Details Pertaining to Remuneration

Investor Information

CIN	L51909WB2022PLC252287
BSE Code	544079
NSE Symbol	DIGIDRIVE
ISIN	INE0PSC01024
AGM Date and Time	Friday, September 6, 2024 at 11:00 A.M.

Disclaimer

The statements in the report which may be considered 'forward-looking statements' within the meaning of applicable laws and regulations, have been based upon current expectations and projections about future events. The management cannot, however, guarantee that these forward-looking statements will be realised or achieved



For more information,
please, visit our website

58-148

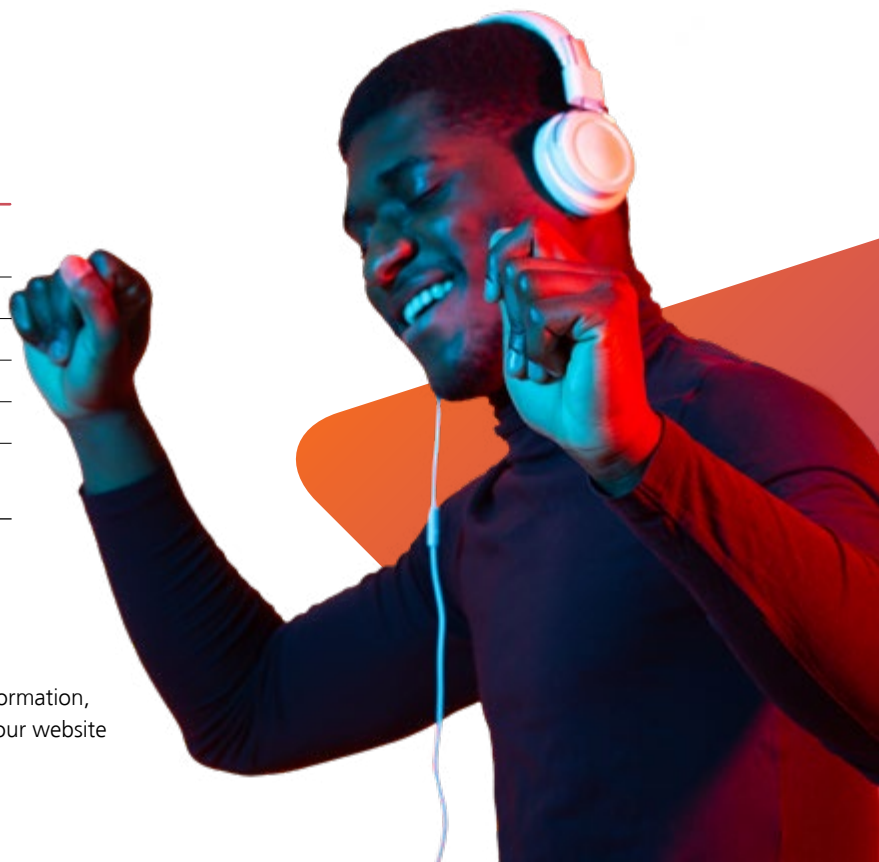
Financial Statements

Standalone Financial Statements

- 58 Independent Auditor's Report
- 66 Balance Sheet
- 67 Statement of Profit & Loss
- 68 Statement of Cash Flows
- 69 Statement of Changes in Equity
- 71 Notes forming part of the Financial Statements

Consolidated Financial Statements

- 98 Independent Auditor's Report
- 104 Balance Sheet
- 105 Statement of Profit & Loss
- 106 Statement of Cash Flows
- 108 Statement of Changes in Equity
- 110 Notes forming part of the Financial Statements



About us

Digidrive Distributors Limited (DDL), have swiftly carved a niche for ourselves in digital retail landscape. We have steadily gained the position of master distributor, aiming to redefine e-commerce distribution by leveraging cutting-edge technology to bridge the gap between brands and consumers.

Our journey began with the vision to deliver the perfect gift for our valued customers. Through our robust ERP system and efficient logistics infrastructure, we manage inventory seamlessly and deliver products promptly. One of our flagship offerings, the Carvaan digital music player, wraps nostalgia with modern listening experience.

At Digidrive, we aim to build ourselves as one-stop solution provider, delivering extensive range of products to our valued products. We ensure our products are of superior quality, ensuring enhanced customer experience by providing robust after sales services. Through our 'Open' magazine, we further aim to solidify our position in the market, by offering insightful content to our audience, including weekly affairs.



What we offer

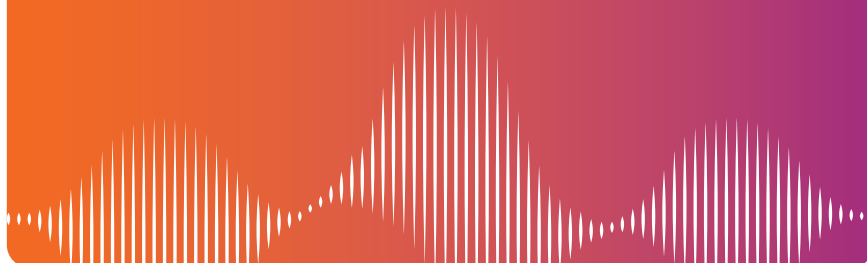


Our Trading Business

- ▶ At Digidrive Distributors Limited, we operate mainly as a digital marketplace, delivering extensive product range for our customers. We provide end-to-end distribution services, including proper inventory management, streamlined order processing and fulfillment.
- ▶ Our scalable platform offers customisable online storefront solutions with features such as mobile applications, digital product catalogues, content management, promotions handling and payment gateway access.

Our Publishing Business

- ▶ Through our subsidiary, Open Media Network Private Limited, we publish 'OPEN', a weekly current affairs and features magazine. This publication has played a significant role in strengthening our market position in the digital content space.



Our Product Portfolio

At Digidrive, we offer a diversified portfolio of innovative, superior quality products. Our product lineup, encompassing music players to mobile phones, caters to the meet varied needs and preferences of our customers. Delivering excellence to our customers and prioritising a customer-centric approach have always been the at the core of our operations. We leverage our extensive network to achieve operational excellence while consistently fortifying our market position and exploring new markets.



Carvaan Digital Audio Player

Our flagship product, Carvaan, supplied by Saregama India Limited, is a portable digital music player with preloaded handpicked retro hits, available in various languages.

Expanding Our Digital Lifestyle Solutions



Carvaan Mini



Carvaan Musicbar



Carvaan Mobile



Wrapped with Nostalgia

Preloaded with handpicked retro hits



Awards Winning Product

Since its launch, Carvaan has received numerous awards and accolades



Superior Quality

Amazing quality products with reliable after-sales service



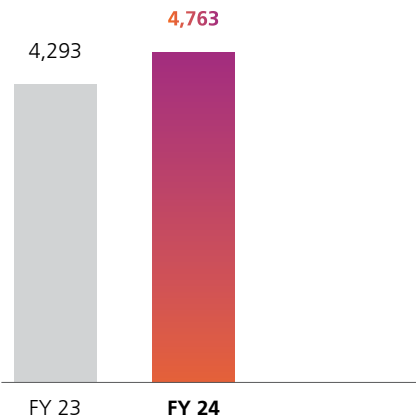
One Stop Solution

Our product range includes a wide variety of products, available in various languages

Financial highlights

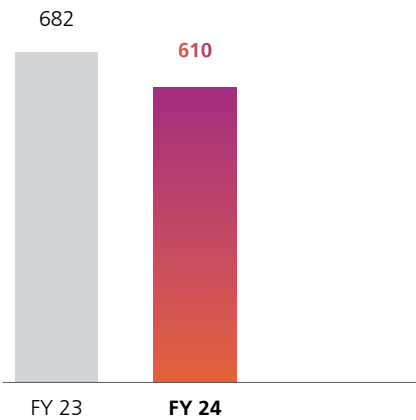
Revenue from operations

(₹ in lakhs)



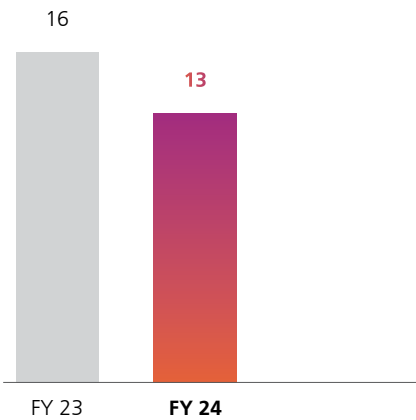
EBITDA

(₹ in lakhs)



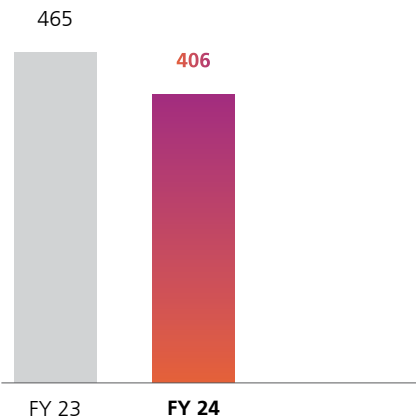
EBITDA Margin

(in %)



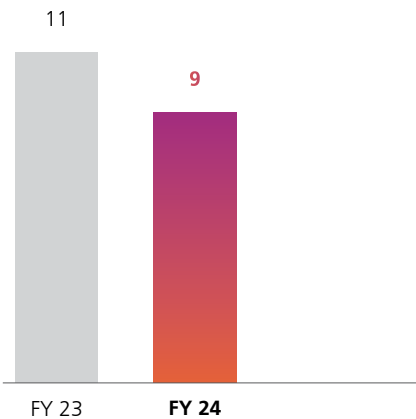
PAT

(₹ in lakhs)



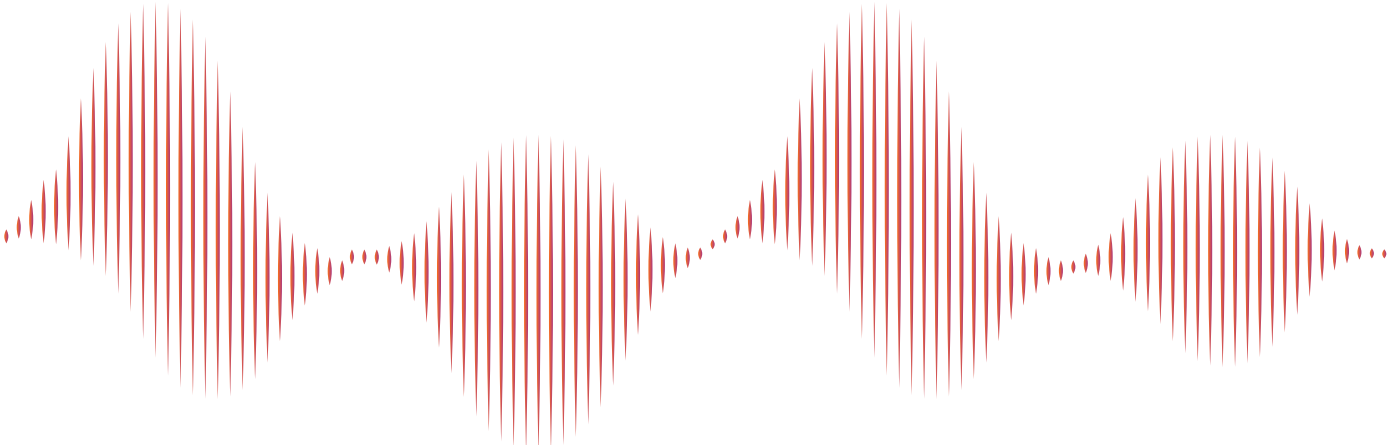
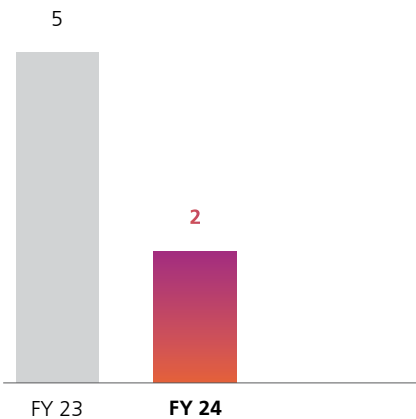
PAT Margin

(in %)



Return on Capital Employed

(in %)



Message from the Chairman

Dear Stakeholders,

It is a pleasure to address you as we conclude another remarkable year. I am excited to share with you the progress we have made throughout the course of the FY 2023-24 and what we look forward to moving ahead.

Our objective now is to unlock the power of music anytime, anywhere, by offering our customers a delightful blend of nostalgia and advanced technology. In keeping with this, we have rolled out a wide range of innovative products and ventured into new markets to reach a wider audience and strengthen our market position.

FY 2023-24 presented us with several challenges, including supply chain disruptions, increased competition and an evolving regulatory landscape. However, at DIGIdrive, we demonstrated resilience amid adversity by taking decisive and calculated measures. Some of our efforts included diversifying our supplier base, accelerating product innovation and enhancing our compliance measures. Also, we focused on building a strong talent pipeline. To this end, we improved our compensation packages and undertook well-calibrated initiatives to foster a positive work culture. Effective technological integration has further contributed to our business resilience and positioned us for continued success.

Our vision for the upcoming years entails establishing DIGIdrive as a leading player in online retail. By deploying best-in-class technologies and widening our footprint, we seek to capture growth opportunities in India's burgeoning e-commerce space. I am confident that buoyed by our unique value proposition, centred on personalised solutions, advanced technology and exceptional customer support, we will be able to stay ahead of the curve.

Sharing our performance highlights

Maintaining a persistent emphasis on technological innovation and operational excellence has enabled us to record an encouraging performance in FY 2023-24. We launched several innovative products and made strategic forays into new markets, which culminated in impressive revenue growth. Our revenue for the year stood at Rs. 4,763 lakh, with an EBITDA of Rs. 610 lakh and a PAT of Rs. 406 lakh. Going forward, our focus is to build on this positive momentum and invest in cutting-edge technologies to further streamline our operations and deliver exceptional value to our customers. Moreover, we aim to leverage strategic partnerships and diversify our portfolio to cater to evolving customer needs and capture emerging market opportunities.

Spotlight on our offerings

FY 2023-24, we continued to drive growth in our Trading Business, serving as a digital marketplace to offer our customers an extensive range of products and end-to-end distribution services, including proper inventory management as well as streamlined order processing and fulfilment. Leveraging this scalable platform, we provided merchants with customisable online storefront solutions with features such as mobile applications, digital product catalogues, content management, promotion handling and payment gateway access—further optimising their day-to-day operations and enabling them to cater to a wider audience.

Speaking of our Publishing Business, through our subsidiary, Open Media Network Private Limited, 'OPEN', our weekly current affairs and features magazine continued to gain traction among readers. This publication bolstered our market position in the digital content space and acted as an additional platform for engaging better with our target audience.

Unlocking the power of music with Carvaan

Our partnership with Saregama has been instrumental in bringing the magic of timeless

retro hits to our customers through the award-winning Carvaan. This iconic product has captured the hearts of music lovers across India with its unique blend of nostalgia and modern convenience. The absence of advertisements and the vast library of evergreen songs have made Carvaan a market leader. Additionally, our targeted marketing endeavours have further amplified its appeal, driving significant sales growth.

Creating a conducive workspace

Technological advancements have completely transformed the way people work and we are adapting to the evolving work environment by offering our team members remote work options, flexible schedules and professional development programmes. Our focus on creating a work culture, practicing fair recruitment practices and retaining the best talent is central to our strategy for building a competent and future-ready talent pool.

Pursuing sustainable growth

At DIGIdrive, we champion the adoption of eco-friendly practices, striving hard to reduce carbon emissions and support community welfare initiatives. Our objective is to create a lasting impact on the planet and society through responsible operations and social responsibility programmes.











In closing, I would like to reiterate that while we have taken significant strides this past year, our focus on adopting the latest technological advancements and fortifying our market presence strategically positions us for future success and long-term value creation. We express our sincere gratitude to shareholders, partners, personnel and customers for their sustained cooperation and trust.

Best regards,

Alok Kalani
Chairman

Leveraging Our Strengths for Strategic Success

At Digidrive, our strategic initiatives and robust capabilities are the foundation of our organisation's success. Our core strengths empower us to embrace new opportunities and drive growth, innovation and optimise operational excellence. We also ensure our initiatives align with our business objectives, ensuring sustainable growth while consistently meeting and exceeding customer expectations.

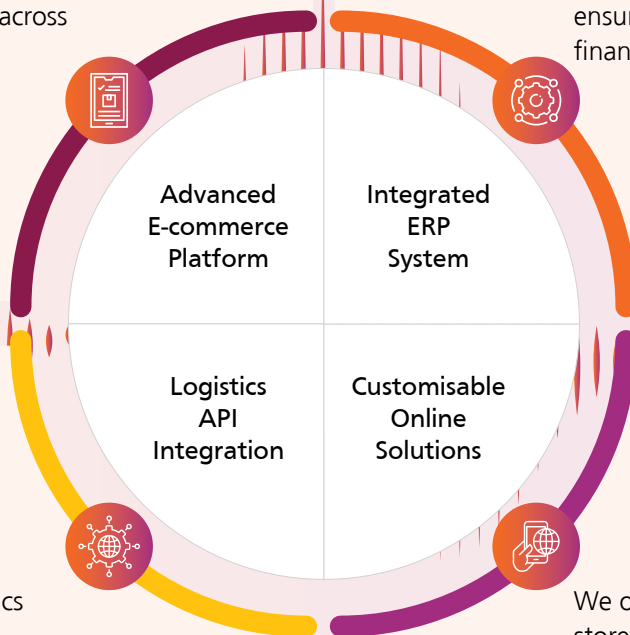
 Strength		Strategy 
<p>Our advanced ERP system allows for seamless inventory management and real-time tracking, ensuring operational efficiency and accuracy.</p>	 Robust ERP System	<p>We aim to build a robust technological infrastructure by investing in advanced technologies and systems to streamline operations and improve efficiency.</p>
<p>We leverage our extensive distribution network, encompassing various digital marketplaces, to ensure timely delivery and guarantee optimal customer satisfaction.</p>	 Extensive Distribution Network	<p>We have undertaken relentless initiatives to further expand our distribution network. We aspire to partner with more digital marketplaces to broaden our reach and establish a loyal clientele base.</p>
<p>Our flagship product, Carvaan, synergises tradition with technology, offering preloaded handpicked songs in different languages and genres.</p>	 Product Portfolio	<p>We are steadily diversifying our product portfolio and enhancing our digital services to meet customer demands.</p>
<p>Through our subsidiary, Open Media Network Private Limited, we publish 'Open' magazine to target our audience, fostering credibility and trust in the market.</p>	 Publication Excellence	<p>We aim to further enhance our content to meet the need of our consumers. We believe that improving our publication excellence will not only improve customer engagement but also help in generating revenue streams.</p>
<p>We employ comprehensive marketing initiatives, including print and electronic advertising, television campaigns, celebrity endorsements and event sponsorships.</p>	 Strategic Marketing Initiatives	<p>We are implementing targeted marketing campaigns to improve brand visibility and increase customer acquisition.</p>
<p>Our dedicated team of professionals brings a wealth of experience and expertise to the table.</p>	 Experienced Team	<p>We foster a culture of continuous learning and innovation to empower our team.</p>
<p>We benefit significantly from our association with the RP-Sanjiv Goenka Group, receiving strategic guidance and access to vast resources.</p>	 Strong Corporate Lineage	<p>We aim to further strengthen our acquisition with RP-Sanjiv Goenka Group to leverage their resources, expertise and network to drive growth and innovation.</p>

Driving Digital Innovation

At Digidrive, we aim to remain at the forefront of digital transformation by incorporating digital enablement at the core of our operations. We leverage advanced technology to streamline our processes, enhance customer experience and drive growth. We believe our commitment to digital innovation has helped us to gain a competitive advantage in the market, further fortifying our position in the competitive e-commerce landscape.

Our proprietary technology supports diverse products and services, enabling seamless inventory management, order processing and fulfilment across digital marketplaces.

We utilise SAP to maintain records for accounts payable, accounts receivable, inventory, banking and general ledgers, ensuring accurate and real-time financial reporting.








We utilise APIs with logistics partners for real-time monitoring of shipping and delivery schedules, optimising inventory costs and improving customer satisfaction.

We offer scalable online storefront solutions, including mobile applications, digital catalogues and payment gateway access, providing cost-effective marketing and distribution for merchants.

Our People

At Digidrive, our success is built on the talent and dedication of our team. Our skilled workforce brings deep expertise and profound knowledge to contribute to our mission of transforming digital retail. We believe in providing equal opportunities, therefore, we have adopted policies, guidelines and procedures to prohibit discrimination and ensure a zero-tolerance policy towards any kind of harassment. Our commitment towards cultivating a holistic and inclusive workplace, empowers our employees to thrive and steer our organisation to new heights of success.

We always focus on recruiting talented individuals and promote a diverse workforce to ensure we can leverage diverse skills and perspectives to drive continuous improvement and innovation. At Digidrive, we believe that our people are our greatest asset and we are dedicated to their growth and well-being. We also have an experienced leadership team at the helm, providing strategic guidance and enabling our organisation to navigate all challenges strategically.

 Experienced Leadership	 Skilled Workforce	 Talent Development	 Adaptability	 Collaborative Culture
Our senior management team brings extensive expertise in e-commerce, distribution and technology sectors, providing strategic direction and effective implementation.	We focus on recruiting talented employees with deep understanding of the digital marketplace and e-commerce operations.	Our personnel policies aim to facilitate the integration of new talent and encourage the continuous development of skills and expertise.	Our team's skills and energy enable us to quickly understand and adapt to rapidly changing consumer demands in the competitive e-commerce market.	We promote a work environment that encourages open communication and teamwork, leveraging diverse skills and perspectives.



Board of Directors

Mr. Alok Kalani

Non-Executive - Non Independent
Director-Chairman

Mr. Gopal Rathi

Non-Executive -
Non Independent Director

Mr. Kiran Bhaskar Bandekar

Managing Director

Mr. Vinod Kumar

Non-Executive -
Independent Director

Mr. Santanu Bhattacharya

Non-Executive -
Independent Director

Ms. Iram Hassan

Non-Executive -
Independent Director

Corporate Information

Board of Directors

Mr. Alok Kalani
Mr. Kiran Bhaskar Bandekar
Mr. Gopal Rathi
Mr. Vinod Kumar
Mr. Santanu Bhattacharya
Ms. Iram Hassan

Company Secretary

Ms. Kriti Jain

Chief Financial Officer

Mr. Asish Kumar Ray

Statutory Auditors

M/s. Vidya & Co.
Chartered Accountant
50, Weston Street
Room - 404
Kolkata-700012

Registered Office

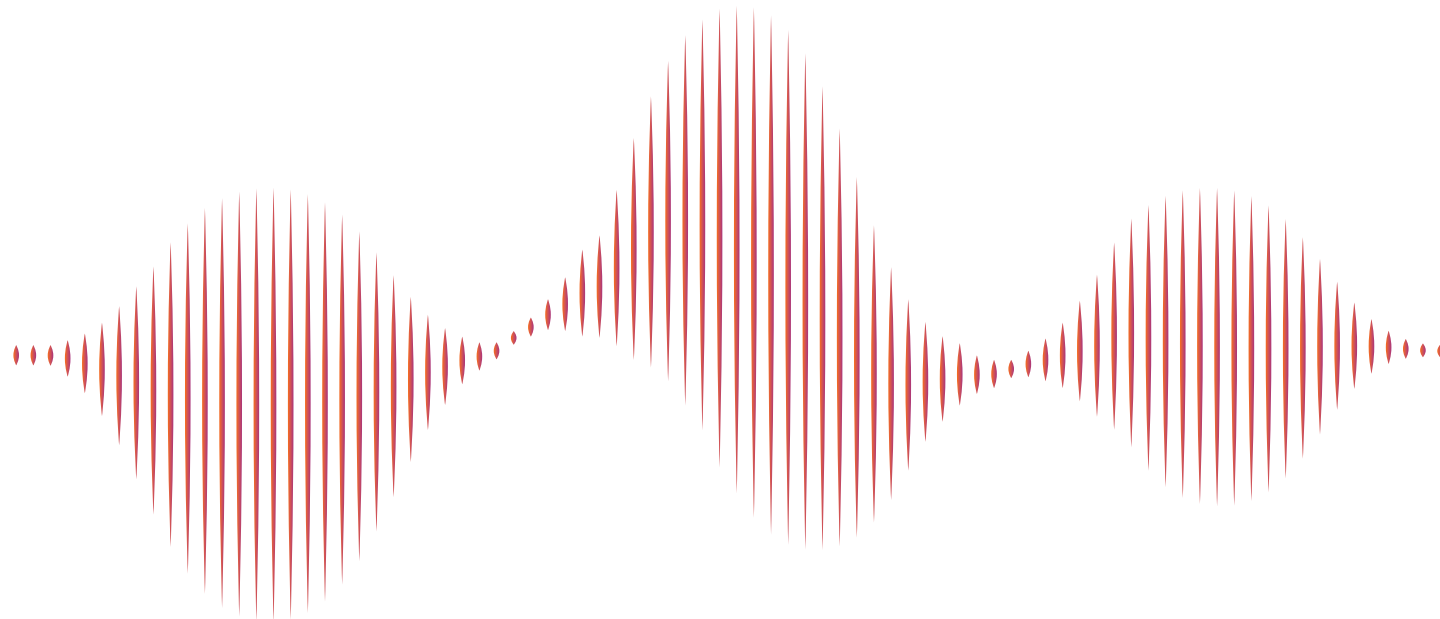
33, Jessore Road, Dum Dum Kolkata- 700028
Tel: (033) 2551 2984
Corporate Identity Number:
L51909WB2022PLC252287
E-mail: digidrive.sec@rpsg.in
Website: www.digidriveindia.com

Registrar and Share Transfer Agent (RTA)

Link Intime India Private Limited
CIN: U67190MH1999PTC118368
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai - 400 083
Phone: +91 22 4918 6000
Fax: +91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Bankers

ICICI Bank Limited



DIGIDRIVE DISTRIBUTORS LIMITED

Registered Office: 33, Jessore Road Dum Dum, Kolkata - 700028, India Tel: 033- 25512984,

E-mail: digidrive.sec@rpsg.in Website: www.digidriveindia.com

Corporate Identity Number: L51909WB2022PLC252287

NOTICE TO MEMBERS

NOTICE is hereby given that the Second Annual General Meeting of the Members of Digidrive Distributors Limited will be held on Friday, September 6, 2024, at 11:00 A.M., Indian Standard Time (IST), through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business(es):

ORDINARY BUSINESS

1. CONSIDERATION AND ADOPTION OF:

- the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of Board of Directors and Auditors thereon, and
- the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and the reports of the Auditors thereon,

and in this regard, to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT:

- the audited financial statements of the Company for the financial year ended March 31, 2024 and the reports of Board of Directors and Auditors thereon, as circulated to the Members; and
- the audited consolidated financial statements of the Company for the financial year ended March 31, 2024 and reports of the Auditors thereon, as circulated to the Members;

be and are hereby considered and adopted."

2. RE-APPOINTMENT OF MR. GOPAL RATHI AS A DIRECTOR WHO RETIRES BY ROTATION.

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

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Articles of Association of the Company, Mr. Gopal Rathi (DIN: 00553066) who retires by rotation at this meeting, and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation".

SPECIAL BUSINESS

3. APPROVAL OF MATERIAL RELATED PARTY TRANSACTION WITH SAREGAMA INDIA LIMITED

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and pursuant to the recommendation of the Audit Committee and that of the Board of Directors, approval of the Members of the Company be and is hereby accorded for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Saregama India Limited, a related party of the Company, for an amount not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore) and per the details set out in the statement under section 102 of the Companies Act, 2013, annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard."

By Order of the Board of Directors

Kriti Jain

Company Secretary and Compliance Officer
ICSI Membership No. A62248

Place: Kolkata
Date: May 28, 2024

Notes:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of the Special Business(es) to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. Additional information pursuant to Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, notified by the Ministry of Corporate Affairs, Government of India, in respect of Director proposed to be re-appointed, at the Annual General Meeting is furnished elsewhere in the Notice.
3. (A) Pursuant to the General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022, 10/2022 and 9/2023 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022, December 28, 2022 and September 25, 2023 respectively, issued by the Ministry of Corporate Affairs (MCA) Government of India and Circular numbers SEBI/HO/CFD/ CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/ HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 and SEBI/ HO/CFD/CFD-PoD- 2/P/CIR/2023/167 dated October 07, 2023 issued by the SEBI (hereinafter collectively referred to as "the Circulars"), the Second AGM of the Company is being held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), on Friday, September 6, 2024 at 11:00 A.M.. (IST). The deemed venue of the AGM shall be at the registered office of the Company..

(B) AGM through VC/OAVM

- i) **Members are requested to join the AGM on Friday, September 6, 2024 through VC/OAVM mode latest by 10:45 A.M. IST by clicking on the link <https://www.evoting.nsdl.com/> under members login, where the EVEN (E-Voting Event Number) of the Company will be displayed, by using the remote e-voting credentials and following the procedures mentioned later in these Notes. The said process of joining the AGM will commence from 10:30 A.M. IST and may be closed at 11:15 A.M. IST, or, soon thereafter.**
- ii) **The facility of attending the AGM will be made available to 1000 members on a first-cum-first-served basis.**
- iii) **Members who would like to express any views, or, during the AGM ask questions may**

do so in advance by sending in writing their views or questions, as may be, along with their name, DP ID and Client ID number/ folio number, email id and mobile number, to reach the Company's email address at [digidrive.sec@rpsg.in](mailto:sec@rpsg.in) latest by Friday, August 30, 2024 by 5:00 P.M. (IST).

- iv) **When a pre-registered speaker is invited to raise at the AGM his/her questions, already emailed in advance as requested in para (iii) above, but he / she does not respond, the turn will go to the next pre-registered speaker to raise his/her questions. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with stable internet speed.**
- v) **The Company reserves the right to restrict the number of questions/speakers, as appropriate, for smooth conduct of the AGM.**

4. SEBI has decided that securities of listed companies can be transferred only in dematerialized form and, therefore, members are advised to dematerialize as early as possible the shares of the Company held by them in physical form.
5. Members may please note that SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 has mandated the listed companies to issue securities in dematerialised form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; sub-division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said form can be downloaded from the website of our Registrar and Share Transfer Agent, M/s. Link Intime India Private Limited at <https://www.linkintime.co.in/>.

6. The Register of members of the Company will remain closed from Friday, August 30, 2024 to, Friday, September 06, 2024 both days inclusive.
7. All documents referred to in the Notice are put up on the Company's website and can be accessed at www.digidriveindia.com.
8. **Instructions for attending the AGM**

- (i) In view of the Circulars, AGM is being held through VC/ OAVM. Hence, members can attend and participate in the ensuing AGM only through VC/OAVM as mentioned in Note 3(B) above as arranged by the Company with National Securities Depository Limited (NSDL).

- (ii) Members may access NSDL e-Voting system by following the steps mentioned above and after successful login, they will be requested to click on VC/OAVM link placed under "Join General Meeting" menu against the Company name. The link for VC/OAVM will be available in Member login where the EVEN of Company will be displayed.
- (iii) Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
- (iv) Since the AGM will be held through VC/OAVM, where physical attendance of members has been dispensed with, there is no requirement of proxies and hence, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, Bodies Corporate are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by e-mail to digidrive.sec@rpsg.in with a copy marked to evoting@nsdl.com.
- (v) The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first serve basis. This will not include Large Members (i.e. Members holding 2 % or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditor etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- (vi) In compliance with the Circulars, Notice of the AGM along with the Annual Report for the FY 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or Central Depository Services Limited / NSDL ("Depositories"). Members may note that the Notice and Annual Report for the FY 2023-24 will also be available on the Company's website at www.digidriveindia.com, websites of the Stock Exchanges where the shares of the Company are listed i.e., BSE Limited and National Stock Exchange of India Limited at <https://www.bseindia.com> and <https://www.nseindia.com> respectively. Additionally, Notice of the AGM will also be available at <https://www.evoting.nsdl.com>.
- (vii) Members whose email addresses are not registered as above can register the same in the following manner:
 - a) Members holding share(s) in physical mode are requested to send the following details for registration of their email id: Folio No., Name of shareholder, Mobile no., email id, Bank Account details such as Bank and Branch name, Account no., and IFSC Code and self-attested scanned copy of PAN card by email to Digidrive Distributors Limited at digidrive.sec@rpsg.in or to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited.
 - b) Members holding share(s) in electronic mode are requested to register / update their e-mail addresses and Bank Account details as mentioned above with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.
- (viii) Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
- (ix) Since the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
- (x) During the AGM, Members may access the scanned copy of Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act, upon logging to the NSDL e-voting system at <https://www.evoting.nsdl.com>.
- (xi) Members who need assistance before or during the AGM with use of technology, can:
 - (a) Send a request at evoting@nsdl.com or call on 022-4886 7000 or
 - (b) Contact Ms. Pallavi Mhatre, Senior Manager, NSDL at the designated email ID: evoting@nsdl.com

Members are encouraged to join the Meeting through Laptops for better experience. When the meeting is in progress, please keep your device under 'Mute' mode, except when you have pre-registered yourself as a speaker and are invited to speak at the AGM.

Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

- (xii) Institutional Investors who are Members of the Company, are encouraged to attend and vote in the AGM of the Company through VC/OAVM facility.

9. Instructions for attending the Voting through electronic means:

Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing the facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with NSDL for facilitating e-voting through electronic means, as the authorized agency. The facility of casting vote by a member using remote e-voting system during the meeting on the date of the AGM will also be provided by NSDL.

The remote e-voting period begins on Tuesday, September 03, 2024 at 9:00 A.M. and ends on Thursday, September 05, 2024 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Friday, August 30, 2024, may cast

their vote electronically. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

The voting rights of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 30, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
----------------------	--------------

- Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

 App Store
  Google Play



Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e- Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e- Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call on 022-4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or toll free no. 1800 21 09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account

with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to digidrive.sec@rpsg.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/ Authority Letter etc. by clicking on Upload Board Resolution/ Authority Letter displayed under "e- Voting" tab in their login
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. August 30, 2024 may obtain the login ID and password by sending a request at evoting@nsdl.com or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on <http://www.evoting.nsdl.com> or call on 022-4886 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 30, 2024 may follow steps mentioned in the Notice of the AGM under Step 1 : "Access to NSDL e-Voting system" (Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre, Senior Manager at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to digidrive.sec@rpsg.in or to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited at rnt.helpdesk@linkintimeco.in

2. Members holding share(s) in electronic mode are requested to register / update their e-mail addresses and Bank Account details as mentioned above with their respective Depository Participants ("DPs") for receiving all communications from the Company electronically.

If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

OTHER INSTRUCTIONS:

- The voting rights of the members shall be in proportion to their shares on the paid-up equity share capital of the Company as on the cut-off date i.e. August 30, 2024.
- A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the Meeting.
- Mrs. Kamana Goenka, Practicing Company Secretary, (Membership No. A35161 CP- 26093) has been appointed as the Scrutinizer to scrutinize the Remote e-Voting process and votes cast through the e-Voting system during the Meeting in a fair and transparent manner.
- The Scrutinizer shall after the conclusion of e-Voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting system and shall make a consolidated Scrutinizer's Report.
- The Result of voting will be declared within two working days from the conclusion of AGM. The declared results along with the Scrutinizer's Report will be available forthwith on the website of the Company www.digidrive.sec@rpsg.in and on the website of NSDL. Such results will also be displayed on the Notice Board at the Registered Office of the Company and shall be forwarded to the National Stock Exchange of India Limited and BSE Limited.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE MEETING IS GIVEN BELOW:

Mr. Gopal Rathi

Mr. Gopal Rathi aged about 49 years has vast experience in Merger and Acquisitions, Strategy, Financial Planning and restructuring of business and operations. He has been instrumental in turning around many Companies. He holds a bachelor's degree in commerce from the University of Calcutta and a member of the Institute of Chartered Accountants of India. He has over 20 years of experience in field of finance, business strategy and Merger and Acquisitions. Previously he was also associated with Hutch and looking after their business planning and finance.

Mr. Gopal Rathi is also on the Boards of Business Media Private Limited, Eminent Electricity Distribution Limited, Herbolab India Private Limited, Editorji Technologies Private Limited, RPSG Sports Private Limited, Pocket Aces Pictures Private Limited, Purvah Green Power Private Limited, Aquapharm Chemicals Private Limited.

Mr. Gopal Rathi does not hold any Equity shares in the Company is not related to any other Director or Key Managerial Personnel of the Company or their relatives. Please refer to the Report on Corporate Governance forming part of this Annual Report for other necessary details.

Your Boards recommends for his re-appointment as Director of the Company under section 152 of the Companies Act, 2013.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF ITEMS OF SPECIAL BUSINESS SET OUT IN THE NOTICE CONVENING THE SECOND ANNUAL GENERAL MEETING OF THE COMPANY TO BE HELD THROUGH VC / OAVM ON FRIDAY, SEPTEMBER 6, 2024 AT 11:00 A.M. ITEM NO. 3

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned Company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) Rs. 100 crore or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

The Company proposes to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company. All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Board of Directors based on the recommendations of the Audit Committee and on the basis of relevant details provided by the management, as required by the law, at its meeting held on May 28, 2024, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board recommends passing of the resolution contained in Item Nos. 3 of this Notice as an Ordinary Resolution.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 is provided herein below:

S. NO.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Saregama India Limited (Saregama) (Fellow Subsidiary)
2	Type, tenure, material terms and particulars	Purchase of "Carvaan" and other products from Saregama. The material terms and conditions are governed by the contracts, which include rates determined by prevailing or current market conditions and commercial terms effective as of the contract's date. Approval of the shareholders is being sought for entering into an agreement for transaction of purchase of Carvaan during 2024-25. Up to Rs. 100 crores.
3	Value of the transaction	Up to Rs. 100 crores.
4	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated based on the subsidiary's annual turnover on a standalone basis shall be additionally provided)	209.95% of annual consolidated turnover of the Company for FY 2023-24
5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
	i) details of the source of funds in connection with the proposed transaction;	Not Applicable
	ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness; • cost of funds; and tenure;	Not Applicable
	iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
	iv) the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable
6	Justification as to why the RPT is in the interest of the listed entity	Digidrive Distributors Limited is master distributor for retailing goods on all digital marketplaces. Purchase from Saregama <ul style="list-style-type: none"> will ensure uninterrupted supply of high-quality goods which is a key for digital market places; are in the business interest of the Company due to cost-effectiveness, close proximity of stock-in-trade, quality and just in time sourcing needs.
7	Any valuation or other external report relied upon by the listed entity in relation to the transactions	Not Applicable
8	Any other information that may be relevant	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013

By Order of the Board of Directors

Kriti Jain

Company Secretary and Compliance Officer
ICSI Membership No. A62248

Place: Kolkata
Date: May 28, 2024

Board's Report

Dear Members,

The Board of Directors of the Company ("the Board") have the pleasure of presenting the Second Annual Report on the business and operations of the Company together with Audited Financial Statements for the financial year ended March 31, 2024 ('the year').

FINANCIAL RESULTS

Pursuant to the provisions of the Companies Act, 2013 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), the Company has prepared its standalone and consolidated financial statements for the Financial Year ended March 31, 2024, details of which are summarised below:

(Rs. in Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from operations	3190.09	2821.90	4762.52	4293.00
Other Income	723.97	695.30	738.96	742.92
Total Income	3914.06	3517.20	5501.48	5035.92
Profit before tax	600.12	738.85	567.61	633.08
Tax Expenses	165.90	168.23	162.14	168.28
Profit for the year	434.22	570.62	405.47	464.80
Other comprehensive Income/ loss	8561.27	(2061.28)	8571.95	(2061.42)
Total comprehensive Income	8995.49	(1490.66)	8977.42	(1596.62)

Highlights of the Company's financial performance for the year ended March 31, 2024 are as under:

Standalone

During the year under review, total income was Rs. 3914.06 Lakhs as against Rs. 3517.20 Lakhs for the previous year. Profit before tax was Rs. 600.12 Lakhs and Profit after tax (PAT) was at Rs. 434.22 Lakhs. Total Comprehensive Income for the year after all other adjustments was Rs. 8995.49 Lakhs. Retained earnings as on March 31, 2024 was 1,053.48 Lakhs (March 31, 2023 570.62 Lakhs).

Consolidated

Total consolidated income was Rs. 5501.48 lakhs as against Rs. 5035.92 Lakhs for the previous year. Profit before tax was Rs. 567.61 lakhs and Profit after tax (PAT) was at Rs. 405.47 Lakhs Total Comprehensive Income for the year after all other adjustments was Rs. 8977.42 Lakhs.

The operational performance, including major developments have been further discussed in detail in the Management Discussion and Analysis section.

SCHEME OF ARRANGEMENT BETWEEN SAREGAMA INDIA LIMITED AND DIGIDRIVE DISTRIBUTORS LIMITED

Consequent to the approval of the De-Merger Scheme by National Company Law Tribunal (NCLT) and filing of the NCLT order with the Registrar of Companies, Kolkata, the shareholders of the Demerged Company had received equity shares in the ratio of 1

(One) fully paid-up equity shares of INR 10 (Rupees Ten) each of the Company for every 5 (Five) equity shares of INR 1/- (Indian Rupees One only) each held in the Demerged Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, in the manner envisaged under the said Scheme.

Subsequently the shares were listed in NSE and BSE and the Company obtained the Trading approvals from both the Stock Exchanges on January 10, 2024.

DIVIDEND

During the year under review, no Dividend was declared by the Company in order to conserve resources.

However, the Dividend Distribution Policy as approved by the Board is available at the Company's website and can be accessed at https://www.digidrive.com/resources/pdf/investor/new/dividend_distribution_policy_digidrive_limited.PDF

No amount was transferred to the general reserves during the Financial Year ended March 31, 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis for the year under review is presented in a separate section forming part of this Report as **Annexure 'A'**.

SUBSIDIARY

As on March 31, 2024, the Company has only one Subsidiary Company i.e. Open Media Network Private Limited (OMNPL).

Details of operations of the Company's subsidiary are set out in Management Discussion and Analysis, which forms part of the Annual Report. Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statement of the subsidiary company in Form No. AOC-1 is given in the Annual Report. In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the Listing Regulations, the audited financial statements of the subsidiary company are available on the Company's website and can be accessed at https://www.digidrivelimited.com/resources/pdf/investor/new/OPEN_MEDIA_NETWORK_PRIVATE_LIMITED.PDF

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is available on the Company's website and can be accessed at: https://www.digidrivelimited.com/resources/pdf/investor/new/Policy_for_Determination_of_Material_Subsiadiary.pdf

Open Media Network Private Limited is a material subsidiary of the Company as per Regulation 16 (1) (c) of the Listing Regulations. Further with reference to Regulations 24 of Listing Regulations the Secretarial Audit Report issued by Messrs. M R & Associates, Practicing Company Secretaries of material Subsidiary Company is attached as annexure herewith and forms an integral part of the Annual Report.

Further, the company did not have any Joint venture or Associate Company as on March 31, 2024.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Act, Indian Accounting Standards and the Listing Regulations, the Consolidated Financial Statements of the Company for the Financial Year 2023-24, duly audited by Company's Statutory Auditors, Messrs. Vidya & Co., Chartered Accountants, forming a part of the Annual Report and shall be laid before the members in the ensuing AGM of the Company as required under the Act.

The audited financial statements including the consolidated financial statements of the Company and all other documents required to be attached thereto, are available on the Company's website and can be accessed at https://www.digidrivelimited.com/resources/pdf/investor/new/Annual_Report_2022-23.pdf

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Gopal Rath (DIN: 00553066) will retire by rotation at the ensuing AGM and being eligible, offer himself for re-appointment. The Board on the

recommendation of Nomination and Remuneration Committee, has recommended the said re-appointment.

Further, during the year under review, following changes in Directorship and Key Managerial Personnel have taken place:

i. Appointment of Directors

In accordance with the Companies Act, 2013 and the Listing Regulations, 2015 ("SEBI Listing Regulations") following changes were taken place in the Board of Directors: -

1. Ms. Iram Hassan (DIN: 10183873) was appointed as an Additional Director and Independent Woman Director of the Company for a period of five consecutive years commencing from July 18, 2023 to July 17, 2028.
2. Mr. Santanu Bhattacharya (DIN: 01794958) was appointed as an Additional Director in the category of as an Independent Director of the Company for a period of five consecutive years commencing from July 18, 2023 to July 17, 2028.
3. Mr. Kiran Bhaskar Bandekar (DIN: 10245133) was appointed as an Additional Director as well as the Managing Director of the Company w.e.f. July 18, 2023.
4. Mr. Vinod Kumar (DIN: 01800577) was appointed as an Additional Director of the Company and an Independent Director of the Company w.e.f. July 26, 2023.

Subsequently the shareholders at their Annual General Meeting held on July 26, 2023 approved the appointment of the above Directors.

ii. Resignation of Directors

Mr. Sunil Kumar Sangneria (DIN: 03568648) (Non- Executive Director) has resigned from the Company with effect from August 10, 2023.

iii. Appointment of Key Managerial Personnel

The Board of Directors in its Board Meeting held on July 18, 2023 had appointed and designated the following persons as Key Managerial Personnel of the Company:

1. Mr. Asish Kumar Ray as the Chief Financial Officer of the Company w.e.f. July 18, 2023.
2. Ms. Kriti Jain as the Company Secretary and Compliance officer of the Company w.e.f. July 18, 2023.

The list of key skills, expertise and core competencies of the Board is provided in the Report on Corporate Governance forming part of this report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and commission, as applicable, received by them.

The meetings of the Board of Directors were held during the financial year 2023-2024 on April 28, 2023, May 15, 2023, June 15, 2023, July 15, 2023, July 18, 2023, July 26, 2023, November 06, 2023, December 27, 2023 and February 13, 2024.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors of your Company have met on February 13, 2024 without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees of the Board and the Board as a whole along with the performance of the Chairman of the Company and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2 issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs, Government of India, relating to Meetings of the Board of Directors and General Meetings respectively.

BOARD DIVERSITY

The Company recognises the importance of a diverse Board in its success and believe that a truly diverse Board will leverage differences in thought, perspective, industry experience, knowledge and skills including expertise in financial, global business, leadership, technology and other domains, will ensure that Company retains its competitive advantage.

In terms of the provisions of Section 178(3) of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations, the Nomination and Remuneration Committee ('NRC') is responsible for determining qualifications, positive attributes and independence of a Director.

Additional details on Board diversity are available in the Corporate Governance that forms part of this Report.

BOARD EVALUATION

In order to ensure that the Board and Committees of the Board are functioning effectively and to comply with statutory requirements, the annual performance evaluation of all the Directors, Committees of the Board, Chairman of the Board and the Board as a whole, was conducted during the year. The evaluation was carried out based on the criteria and framework approved by the NRC. A detailed disclosure on the parameters and the process of Board evaluation as well as the outcome has been provided in the Report on Corporate Governance.

COMMITTEES OF THE BOARD

Committees of the Board constituted under the Provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015 focus on certain specific areas and make informed decisions in line with the delegated authority.

The following statutory Committees constituted by the Board according to their respective roles and defined scope:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee

Details of the composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance.

EQUITY SHARE CAPITAL

- a) The Authorised share capital of the Company was increased from the existing Rs. 1,00,000/- (Rupees One Lakh Only) divided into 10,000 (Ten Thousand) equity shares having a face value of Rs. 10/- (Rupees Ten Only) each to Rs. 40,00,00,000/- (Rupees Forty Crore Only) divided into 4,00,00,000 (Four Crore) equity shares having a face value of Rs. 10/- (Rupees Ten Only) each.
- b) During the year under review, and with the approval of the members at the Extra-Ordinary General Meeting held on July 3, 2023, the paid-up Share Capital has undergone consolidation from 1,00,000 (One Lakh Only) equity shares of Re. 1/- (Rupee One Only) each fully-paid into 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each fully paid-up.

Further, pursuant to the issue and allotment of shares consequent to the effectiveness scheme of arrangement, the Equity Share Capital of the Company stood at Rs.3856.19 lakh divided into 3,85,61,898 Equity Shares of Rs. 10/- and since then there has been no change in the Equity Share Capital as on March 31, 2024.

The Equity Shares of the Company have been listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) on January 10, 2024. The Company has paid the requisite listing fees to the Stock Exchanges up to the Financial Year 2023-24.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors hereby state and confirm that:

- i) in the preparation of the accounts for the financial year ended March 31, 2024, the applicable accounting standards

have been followed along with proper explanation relating to the material departures, if any;

- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

The Company is committed to focus on enhancing standards of Corporate Governance by long term value creation and protecting stakeholders' interests by applying proper care, skill and diligence to business decisions and constant adherence to the requirement of Listing Regulations, the Act and other applicable statutes.

In compliance with Regulation 34 read with Schedule V of the Listing Regulations, a Report on Corporate Governance for the year under review, is presented in a separate section as a part of this Report as **Annexure 'B'** along with Additional Shareholder Information as **Annexure 'C'**.

A certificate from the Practicing Company Secretaries of the Company confirming compliance with the conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed to this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

No significant and materials orders were passed by the regulators or courts or tribunals impacting the going concern status and your Company's operations in future.

INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year under review, there was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

CHANGE IN THE NATURE OF THE BUSINESS

Pursuant to the Scheme of Arrangement between Saregama India Limited ("Demerged Company") and Digidrive Distributors Limited ("Company/Resulting Company"), and their respective shareholders and creditors ("Scheme"), under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013 ("Act"), and as approved by the Hon'ble National Company Law Tribunal, Kolkata Bench on June 22, 2023, the Demerged Company had on the ongoing basis transferred its entire E-commerce Distribution Business to the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, CSR was not applicable to the Company pursuant to Section 135 of the Companies Act, 2013.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

In terms of Regulation 34 (2) (f) of Listing Regulations, BRSR Reporting is not applicable to the Company.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with its related parties during the year under review were in accordance with the provisions of the Act and the Listing Regulations. All such contracts or arrangements were entered into in the ordinary course of business and at arm's length basis and approved by the Audit Committee. No material contracts or arrangements with related parties were entered into during the year under review. Disclosure of Related Party Transactions as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable for this year.

The Policy Statement on Materiality and dealing with Related Party Transactions is available on the Company's website and can be accessed at https://www.digidriveindia.com/resources/pdf/investor/new/POLICY_STATEMENT_ON_MATERIALITY_OF_RELATED_PARTY_TRANSACTIONS.pdf

Members may please refer to Notes 23 of the Standalone Financial Statements for requisite disclosure in respect of related parties and transactions entered with them during the year under review.

RISK MANAGEMENT

The Company has a structured Risk Management Framework, designed to identify, assess and mitigate risks appropriately. The Risk Management Committee has been entrusted with the responsibility to assist the Board in a) overseeing the Company's risk management framework; and b) ensuring that all material Strategic and Commercial including Cybersecurity, Safety and Operations, Compliance, Control and Financial risks have been identified and assessed and ensuring that all adequate risk mitigations are in place, to address these risks. The Audit Committee has additional

oversight in the area of financial risks and controls. Further, details are included in the separate section forming part of this Report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace. In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, the Company has adopted a policy. The Company has constituted an Internal Complaints Committee(s) (ICC) to redress and resolve any complaints arising under the POSH Act. Training / awareness programs are conducted throughout the year to create sensitivity towards ensuring respectable workplace.

Details of complaints received/disposed, if any, during the Financial Year 2023-24 are provided in the Report on Corporate Governance.

INTERNAL FINANCIAL CONTROL (IFC) AND ITS ADEQUACY

The Company has in place adequate internal financial controls for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. The IFC are adequate and operating effectively. Effectiveness of IFC is ensured through management reviews, controlled self-assessment and independent testing by the Internal Audit Department of the Company.

The Company believes that these systems provide reasonable assurance that the Company's internal financial controls are adequate and are operating effectively as intended.

AUDITORS AND AUDITORS' REPORT

1. Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, Messrs. Vidya & Co., Chartered Accountants, (ICAI Firm Registration No. 308022E) are the Statutory Auditors of the Company for a term of five consecutive years, from the First Annual General Meeting till the Sixth Annual General Meeting to be held in the year 2028.

The Auditors' Report annexed to the financial statements for the year under review does not contain any qualifications, reservations or adverse remarks. The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

During the year under review, the Auditors have not reported any instance of fraud as referred to in Section 134(3) (ca) of the Act.

2. Secretarial Auditors

The Board of Directors of the Company have approved and appointed in their Meeting held on July 18, 2023, Messrs. M R and Associates, Practicing Company Secretaries as Secretarial Auditor, to undertake Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report pursuant to Section 204 of the Act, is attached in the **Annexure 'D'** forming part of this Report.

Pursuant to Regulation 24A of the Listing Regulations, the Secretarial Audit Reports of material unlisted subsidiary of the Company namely Open Media Network Private Limited for the Financial Year 2023-24 are also attached and are forming part of the Annual Report as **Annexures 'E'**.

The Secretarial Audit Report of the Company and its material unlisted subsidiary do not contain any qualifications, reservations or adverse remarks.

3. Internal Auditor

The Board of Directors of the Company have approved the appointment of its Messrs. MRB & Associates, Chartered Accountant as Internal Auditor on July 26, 2023, to undertake Internal Audit of the Company for the financial year 2023-24.

4. Cost Auditors

The Company is not required to maintain cost records as prescribed by Central Government under Section 148(1)(d) of the Companies Act, 2013.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company promotes safe, ethical and compliant conduct of all its business activities. The Company has a Vigil Mechanism and Whistle-blower policy in accordance with Section 177 of the Act and Regulation 22 of Listing Regulations to bring Company's attention to instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affect the financial integrity of the Company.

The said policy has been uploaded on the Company's website and can be accessed at https://www.digidriveindia.com/resources/pdf/investor/new/Whistle_Blower_Policy.pdf. The said policy provides a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company through the Company Secretary for redressal. No person had been denied access to the Chairman of the Audit Committee and there was no such reporting during the financial year 2023-24.

INSIDER TRADING

The Company's 'Insider Trading Prohibition Code' which is in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, lays down the guidelines and procedures to be followed and disclosures to be made by the Insiders, while dealing in Company's securities.

In view of the aforesaid Regulations and SEBI Circular, the Company also has in place a Structured Digital Database wherein details of persons with whom Unpublished Price Sensitive Information is shared on need-to-know basis and for legitimate business purposes is maintained with time stamping and audit trails to ensure non-tampering of the data base.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There were no loans or guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

DEPOSITS FROM PUBLIC

Your Company during the year under review, has not accepted any deposit from the public and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is engaged in retail sale business majorly in digital marketplace and accordingly, it does not have scope to conserve a substantial amount of energy.

The information related to conservation of energy, research and development, technology absorption and foreign exchange earnings and outgo as required under section 134(m) of the Companies Act, 2013 read with Companies (Accounts) Rules 2014, as given in **Annexure - 'F'**.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY AND TO THE DATE OF THE REPORT:

No material changes and commitments affecting the position of the company took place during the end of the Financial Year of the Company and to the date of the report.

ANNUAL RETURN

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company and can be accessed at https://www.digidrivelimited.com/resources/pdf/investor/new/Annual_Return_FY_2023-2024.pdf.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to the Report as **'Annexure - G'**.

None of the employees of the Company are in receipt of remuneration exceeding the limit prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended so statement pursuant to Section 197(12) of the Companies Act 2013 read with rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is not required.

GENERAL

Your directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- The Company has not issued any shares with differential voting rights as per the Companies Act, 2013.
- The Company has not issued any sweat equity shares under the Companies Act, 2013.
- There were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.
- During the year under review, there was no instance of one-time settlement with any bank or financial institution necessitating disclosure or reporting in respect of difference in valuation done by the Company.

ACKNOWLEDGEMENT

Your Directors wishes to place on record its deep sense of appreciation for the committed and dedicated services by the Company's employees at all levels, co-operation received from the shareholders, business partners, financial institutions, banks, consumers and vendors during the year under review.

Your Directors are also grateful for your continued encouragement and support.

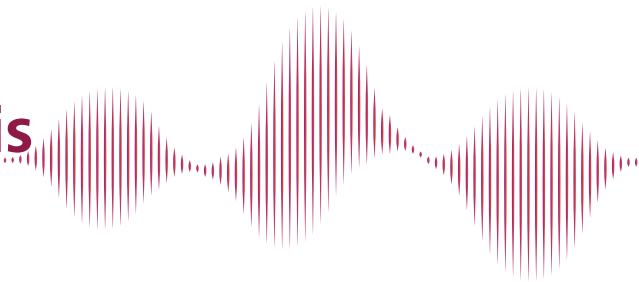
On behalf of the Board of Directors

Alok Kalani
Chairman
DIN:03082801

Place : Kolkata
Date : May 28, 2024

Annexure 'A'

Management Discussion and Analysis



Economic overview*

In Current Year (CY) 2023, the global economy exhibited remarkable resilience amidst the various headwinds, achieving a growth rate of 3.2%. While the advanced economies grew by 1.6%, the emerging markets and developing economies (EMDEs) grew by 4.3% in Current Year - 2023.

The year under review also witnessed elevated levels of inflation negatively impacting the consumption of goods, dampening external trade in the process. However, owing to debottlenecking of supply chains, declining commodity prices and monetary tightening policies across major economies, global inflation level reduced from 8.7 % in 2022 to 6.8 % in Current Year 2023. While the monetary policies did anchor inflation, it also had an effect on the global growth.

*Source: World Economic Outlook April 2024, IMF

In FY (Financial Year) 2024, India maintained its position as one of the fastest-growing economies in the world. Amid the global uncertainties, the domestic economy remained resilient, achieving a growth rate of 8.2%¹. The level of inflation was also recorded at 5.4%², driven by timely intervention by the Indian Government and the Reserve Bank of India (RBI). These positive changes further contributed to increased private consumption in the economy.

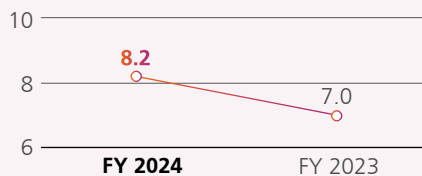
Fueled by the Government of India (GoI) initiatives, India transformed into a business-friendly country, attracting Foreign direct investment (FDI) amounting to USD70.9 billion³ in FY 2024. The initiatives also played a crucial role in bolstering the growth of domestic businesses.

The Government also significantly contributed towards digitalising India. With the GoI making digital services accessible to every individual, people living in hinterlands can also reap the benefits of the internet. Additionally, the Indian rupee also emerged as the third most stable Asian currency in FY 2024.

The domestic economy is expected to sustain its positive growth momentum in the upcoming fiscal year as well. With inflation expected to decrease in FY 2025, it will bolster economic activities, especially in production and manufacturing sectors. Moreover, the Indian Government is targeting holistic development across all the sectors, drafting strategic policies and programmes. It is anticipated that governmental strategies will play an instrumental role in making the Indian economy a 5 trillion-dollar economy by 2026. The Indian economy is also projected to become the third largest economy in the world by 2027⁴, surpassing Japan and Germany.

Financial year

GDP (in %)



Industry Overview

Global E-commerce Industry

The global e-commerce industry grew rapidly over the years. In Current Year 2023, it expanded and attained a market size of USD 21.1 trillion⁵. The growth in this industry was supported by increased use of the internet and smartphones and a shift in the consumer's preference towards online shopping. The heightened use of digital payments has also contributed to this growth. The convenience provided to digital payment users provided them with faster, secured payment methods that have further increased the consumer's reliability on the e-commerce platforms.

¹ <https://pib.gov.in/PressReleaseDetailm.aspx?PRID=2022323>

² <https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20240208113526&msec=190>

³ <https://realty.economictimes.indiatimes.com/news/industry/india-receives-foreign-direct-investment-inflow-of-70-9-billion-in-fy24/110754146>

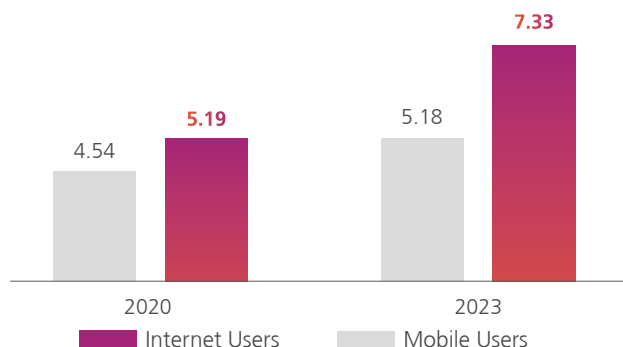
⁴ <https://pib.gov.in/PressReleasePage.aspx?PRID=1962015#:~:text=He%20said%20that%20Prime%20Minister,to%20play%20a%20significant%20role>

⁵ <https://www.researchandmarkets.com/reports/5936227/e-commerce-market-report-type-home-appliances>

An increase in the number of smartphone and internet users in Current Year 2023

Smartphone & Internet Users

(In billions)



⁶ Source: Global E-commerce industry report-2023

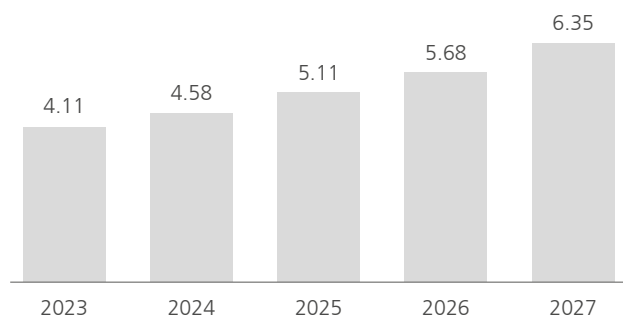
The increased use of digital payments has facilitated faster, more secure and convenient transactions, reducing friction for consumers and merchants and significantly driving the growth of the global e-commerce market. Advanced payment technologies have broadened market access and enabled seamless cross-border transactions. In the reported year, the Asia Pacific region experienced significant growth in the e-commerce industry. Additionally, India and China's increased disposable income and internet penetration influenced the consumer's buying patterns from brick-and-mortar retail to online purchases.

The industry is expected to grow to a market size of USD 4,223.44 billion in Current Year 2024, with a Compound Annual Growth Rate (CAGR) of 11.9% from 2023-2024⁷. The industry is expected to reach a market size of USD 5.29 billion.

Projected growth in the revenue generated by the global E-commerce industry

E-Commerce Revenue

(\$ Trillion)



Source: Global E-commerce industry report-2023

⁶ <https://blog.benchmarkcorporate.com/2023-global-e-commerce-industry-report>

⁷ <https://www.thebusinessresearchcompany.com/report/ecommerce-global-market-report>

⁸ <https://economictimes.indiatimes.com/tech/technology/how-india-is-using-the-internet/articleshow/108354854.cms?from=mdr>

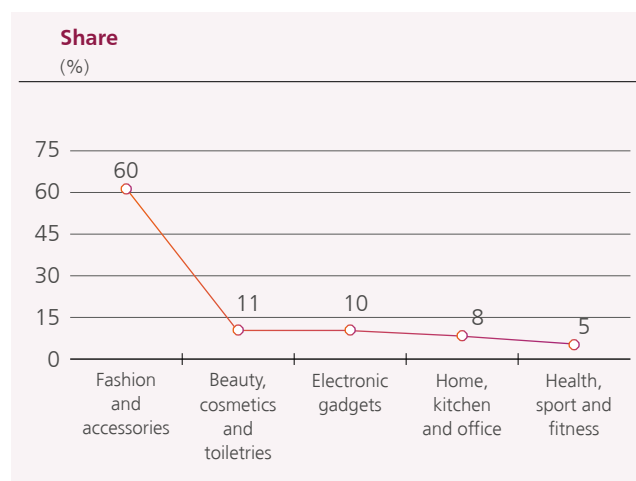
⁹ <https://www.investindia.gov.in/team-india-blogs/e-commerce-boom-india-current-trends-and-prospects>

¹⁰ <https://www.researchandmarkets.com/reports/5566882/global-logistics-market-2023-2028-competitive>

India's E-commerce Industry

India's e-commerce industry experienced significant growth over the years driven by rapid digital transformation, increased smartphone usage, enhanced internet penetration, affordable data and strong connectivity and network infrastructure. In FY 2024, the total number of internet subscribers surpassed 820 million. Rapid growth was seen in the rural internet subscriber's base with the total number of subscribers being approximately 442 million⁸. This provides businesses with an opportunity to operate at a minimum operational cost by not having physical stores. It further provides them with a platform to meet a larger consumer base across diversified regions, use cost-effective marketing channels and therefore, maintain their profitability. On the other hand, the e-commerce industry provides customers with a convenient shopping experience. Along with this, e-commerce also offers competitive pricing and discounts that further encourage customers to make purchases from the e-commerce platforms.

The e-commerce industry is expected to experience positive growth in the coming years. The industry is expected to attain a market size of USD 325 billion by 2030⁹. This growth is expected to be driven by the rising internet penetration which is projected to reach USD 1 trillion by 2030. Moreover, it is expected that India will contribute to the growth in the soundbar segment of e-commerce.



Distribution Industry

The global logistics market grew by USD 9.66 trillion in 2023¹⁰. The growth in this industry was driven by several factors including the growth in e-commerce. Along with this, the industry benefited from various factors including technological advancements and globalisation. The Asia Pacific region was the largest market for logistics.

The Indian logistics industry experienced significant growth in the reported year. The industry's ability to adapt to modern technologies has further helped the industry to meet consumer satisfaction.

The master distribution industry has also grown at a steady rate. Various factors such as growth in the consumer's disposable income and preference among individuals for online shopping, have contributed to the growth of the industry in the reported year.

Moreover, the industry is expected to grow further in the coming years. This expansion in the domestic distribution market is expected to be supported by growth in the revenue generated by the industry.

Company Overview

The company is a Group Company of RP Sanjiv Goenka Group. It was established in 2022 in accordance with the Companies Act, 2013. The Company is a major distributor for retail products across digital marketplaces including the Carvaan being supplied by Saregama India Limited, another group company of RP- Sanjiv Goenka Group.

Consequent to the approval of the De-Merger Scheme by National Company Law Tribunal (NCLT) and filing of the NCLT order with the Registrar of Companies, West Bengal, the shareholders of the Demerged Company had received equity shares in the ratio of 1 (One) fully paid-up equity shares of INR 10 (Rupees Ten) each of the Company for every 5 (Five) equity shares of INR 1/- (Indian Rupees One only) each held in the Demerged Company, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, in the manner envisaged under the said Scheme.

Subsequently the shares were listed in NSE and BSE and the Company obtained the Trading approval from both the Stock Exchanges on January 10, 2024.

Digidrive Distributors Limited places significant emphasis on Carvaan, a product supplied by Saregama India Limited among the array of products that are targeted for online marketplace distribution. Launched in 2017, Carvaan is a portable digital music player equipped with built-in stereo speakers, offering a diverse selection of 250 to 5,000 pre-loaded evergreen songs of all languages and genres. The Company aims to market a range of products through various online channels with its business-to-business (B2B) strategy. Leveraging its expertise and skill set, the Company also plans to extend its sales and marketing services to other industry players.

E-commerce Marketplace

The e-commerce marketplace offers a customisable online storefront solution on a scalable platform, encompassing mobile applications, digital product catalogues, content management, promotions handling, access to payment gateways and fulfillment services. It empowers merchants to reach customers across multiple channels and provides cost effective marketing and distribution solutions.

Open Media Network Private Limited is a subsidiary of the Company where they publish their own weekly current affairs and feature magazine, 'OPEN'.

The Company is also affiliated with the RP Sanjiv Goenka Group, a prominent conglomerate with interests spanning over power and

natural resources, retail and fast moving consumer goods (FMCG), media and entertainment, infrastructure, information technology, education and sports. Companies under the RP-Sanjiv Goenka Group include Chamundeshwari electricity supply corporation (CESC) Limited, Phillips carbon black (PCBL) Limited, Saregama India Limited, Firstsource Solutions Limited, Spencer's Retail Limited, RP Sanjiv Goenka group (RPSG) Ventures Limited, Harrisons Malayalam Limited and Woodlands Multispecialty Hospital Limited, among others. Furthermore, they believe that their association with the RP-Sanjiv Goenka Group facilitates acquiring of new businesses and exploring various opportunities.

Key Financial Highlights

The key financial metrics are highlighted on Page number 20 of the Annual report

Key Financial Ratios

The key financial ratios of the Company were as follows:

Ratios	FY23	FY24	Variance
Debtors Turnover Ratio	12.53	11.53	-7.98%
Current Ratio	*	7.36	*
Return on Net Worth	5.21%	2.46%	-52.78%
Net Profit Ratio	26.18%	18.75%	-28.38%

* Not ascertainable

Notes:

- There was a decrease in Debtors Turnover Ratio on account of better realisation of receivables.
- Current Ratio for the FY 23 could not be ascertained due to nil Current Liabilities as on March 31, 2024.
- There was a decrease in Return on Net Worth on account of lower profit generated during the year ended March 31, 2024 coupled with increase in deferred tax liability arising on Other Comprehensive income for the year ended March 31, 2024.
- There was a decrease in Net Profit Ratio on account of lower profit generated during the year ended March 31, 2024.

Strengths

The company focuses on profit margins of its product portfolio and operates on a low cost model. It has a good distribution network for the product segment it currently operates in India.

Strategy

The Company is well poised to ride on the strong ecosystem of consumer being digital savvy coupled with company's reach to its consumers through the online market places

Operational Review

Economic and Financial Services Industry Conditions in India:

The Company primarily engages in trading products at the digital marketplace and the publication of magazines, with the majority of its customer base located in the Indian market itself. The operational performance of the Company is tied to India's economic landscape which includes the country's GDP growth rate, inflation rate, demographic shifts, wealth levels, economic

cycles and technology adoption. India's economy has experienced rapid growth in the recent years and is expected to continue a similar trajectory, fueling demand for various goods and services. However, any adverse changes in India's economic conditions, including alterations in procurement costs could significantly impact the Company's revenue and operational outcomes.

Technological Developments and Adapting New Trends:

The Company's financial success depends on its adaptability to technological advancements and emerging trends in the digital marketplace and publishing sector. The dynamic shift in consumer preferences from time-to-time requires continuous monitoring of the recent social media trends and evolving lifestyle of the people. Failure to predict and respond to such changes can hinder the Company's growth and affect its revenue.

Competition

The magazine industry of India faces intense competition from the national and international media companies particularly in the fields of circulation, readership and advertising. Competitors expand their reach from publishing houses to television, digital news platforms, social media sites, radio, etc. to stay relevant in the market and attract consumers. Managing this competition is important to mitigate adverse impacts on their business operations, revenue and operational performance.

Result of Operations

A detailed report on the Financial Performance of the Company has been enumerated in the Board's Report on Page number 20.

Risk Management Framework

The Company faces market, credit and liquidity risks from its business operations, investments and financing activities. The Board of Directors holds overall responsibility for establishing and overseeing the risk management framework.

Credit Risk

Credit risk refers to the obligations by counterparties which results in financial losses. The Company encounters credit risk primarily through operational activities such as trade receivables. These receivables are typically unsecured and they arise from revenue earned from customers. The Company manages customer credit risk adhering to established policies and procedures which include credit approval, setting credit limits and monitoring customer creditworthiness. They assess overdue customer balances based on certain factors which include age of the dues, specific credit circumstances and counterparty track record.

Liquidity Risk

Liquidity risk refers to the Company's inability to meet financial obligations as per the contract terms. Liquidity risk can be efficiently managed by maintaining adequate cash reserves, marketable securities and access to funds through trusted credit facilities. The Company closely monitors forecasts of the liquidity position and cash equivalents based on expected cash flows. The Company's liquidity management policy includes projecting cash flows,

determining the requisite level of liquid assets to meet the contract obligations, monitoring the balance sheet liquidity ratios against internal and external regulatory standards and adhering to debt financing plans.

Human Resources

Human resources forms a significant component of the Company as it helps the organisation to attain its predetermined goals. In FY 2024, the total strength of the Company's workforce was 10 in FY 2024. In addition to this, the Company additionally provides employee engagement programmes to promote a healthy working environment within the organisation.

Prevention of sexual harassment

The Company has set up an Internal Complaints Committee to address sexual harassment complaints at the workplace. This was set up under The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Company has not received complaints under the said Committee and no complaints were pending from the year before.

Adequacy of internal financial controls with reference to financial statements

The Company has adequate internal financial control systems in all areas of operation. The Board of Directors has adopted policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, ensuring accuracy and completeness of the accounting records and timely preparation of reliable financial information. The services of internal and external auditors are utilised from time to time, in addition to the in-house expertise and resources. The Company continuously upgrades these systems in line with the best practices in the industry.

Cautionary Statement

The Management Discussion and Analysis (MDA) section often includes statements about future prospects. These statements, which address both known and unknown risks and uncertainties, can lead to significant differences between actual outcomes and the predictions made. The report's estimates rely on the Company's assumptions, which consider the most recent internal and external data. However, keep in mind that the underlying factors behind these assumptions can change over time, potentially affecting the estimates. It's essential to recognise that forward-looking statements apply only to the date they are made and reflect the Company's current intentions, beliefs, or assumptions. The Company is not obligated to revise or update these statements based on new information or future events.

On behalf of the Board of Directors

Alok Kalani

Chairman

DIN:03082801

Place : Kolkata

Date : May 28, 2024

Annexure 'B'

Report on Corporate Governance

Digidrive 's Philosophy on Corporate Governance

Transparency, Disclosure and Accountability are three main pillars of Corporate Governance.

Digidrive Distributors Limited's ("Digidrive", "the Company") philosophy on Corporate Governance is built on a foundation of business ethics, fairness and trust in dealing with all stakeholders. The Company believes in fair, transparent, and ethical governance practices. The philosophy of the Company's Corporate Governance aims at transparency in its affairs and the functioning of the Management and the Board of Directors for ensuring accountability towards its stakeholders. It also encompasses the oversight of business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company's policies focus on the augmentation of long-term shareholder's value without compromising integrity, social obligations and regulatory compliances. Digidrive is committed to meet the aspirations of all its stakeholders. While dealing with its stakeholders, the Company functions within recognised standards of propriety, fair play, and justice and aims at creating a culture of openness. The Corporate Governance demands professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the inter-relationship among the Board of Directors, Board Committees, Compliance teams, Auditors and the Senior Management. It has established a system that encourages all its employees to voice their concerns openly and without any fear or inhibition. Our employee satisfaction is reflected in the stability of

senior management, ability to attract talent across various levels and substantially higher productivity. Corporate Governance of the Company has been further strengthened by the Company's Code of Conduct and Insider Trading Prohibition Code.

BOARD OF DIRECTORS COMPOSITION AND ATTENDANCE

The Board of Directors is the apex body constituted by the shareholders for overseeing the Company's overall functioning. The Board provides strategic direction and leadership and oversees the management policies and their effectiveness looking at long-term interests of shareholders and other stakeholders. The Board, inter alia, reviews and guides corporate strategy, major plans of action, risk policy, annual budgets, acquisitions and divestments. It also monitors implementation and effectiveness of governance structures.

Digidrive 's Board of Directors ('the Board') has an optimum mix of Executive and Non-Executive Directors as well Independent Directors in line with the applicable provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations. As on March 31, 2024, the Board comprised of six Directors, one Executive Directors, two Non-Executive Directors (including the Chairman) and three Independent Directors including one Woman Independent Director.

Composition of the Board and attendance record of the Directors in Board are detailed in Table 1 below. None of the Directors is a member of more than ten Board-level Committees of public companies in which they are Directors or is a Chairman of more than five such Committees.

Table 1: Composition of the Board of Directors and attendance details as on March 31, 2024

Name of the Directors	Category	No. of other Directorships and Committee membership/ Chairmanships in other Indian public companies			Attendance Particulars		
		Director ¹	Member ²	Chairman ²	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Alok Kalani	Non- Executive, Chairman	5	3	1	9	9	Yes
Mr. Gopal Rath	Non-Executive – Non-Independent Director	2	0	0	9	9	Yes
Mr. Kiran Bhaskar Bandekar	Managing Director	0	0	0	4	4	Yes
Mr. Vinod Kumar	Non-Executive – Independent Director	4	1	0	3	2	Yes

Name of the Directors	Category	No. of other Directorships and Committee membership/ Chairmanships in other Indian public companies			Attendance Particulars		
		Director ¹	Member ²	Chairman ²	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at last AGM
Mr. Santanu Bhattacharya	Non-Executive – Independent Director	4	3	0	4	4	Yes
Ms. Iram Hassan	Non-Executive – Independent Director	1	2	0	4	4	Yes

Notes:

- Directorships held by Directors as mentioned in Table 1 do not include alternate directorships, directorships of foreign companies, Section 8 companies, one person companies and private limited companies.
- Memberships/Chairmanships of only the Audit Committees and Stakeholders' Relationship Committees of public limited companies have been considered.
- None of the Directors are related to each other.
- The details of the familiarisation programme for Independent Directors are disclosed on the Company's website at- https://www.digidrivelimited.com/resources/pdf/investor/new/Familiarization_Programme_for_Independent_Directors.pdf
- Name of other listed entities where the Directors hold Directorship and their category of directorship.

Sl. No.	Name of the Directors	Directorship in Listed Entities	Category
1.	Mr. Alok Kalani	1) Stel Holdings Limited	Non-Executive/ Non-Independent Director
2.	Mr. Gopal Rathi	Nil	Non-Executive/ Non-Independent Director
3.	Mr. Kiran Bhaskar Bandekar	Nil	Executive/ Non-Independent Director
4.	Mr. Vinod Kumar	Nil	Non-Executive/ Independent Director
5.	Mr. Santanu Bhattacharya	1) Saregama India limited	Non-Executive/ Independent Director
6.	Ms. Iram Hassan	1) Stel Holdings Limited	Non-Executive/ Independent Director

EXPERTISE AND COMPETENCE OF THE BOARD OF DIRECTORS

The Board comprises qualified and experienced members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Finance & Audit
- Risk Management
- Regulation & Compliances
- Human Resource
- CSR and Sustainability
- Marketing
- Technical

In terms of requirements of the Listing Regulations, the Board has identified the following skills/expertise/ competencies of the Directors as on March 31, 2024:

Name	Finance & Audit	Risk Management	Regulation & Compliances	Human Resources	CSR and Sustainability	Marketing	Technical
Mr. Alok Kalani	✓	✓	✓	✓	✓	✓	✓
Mr. Gopal Rathi	✓	✓	✓	✓	✓	✓	✓
Mr. Kiran Bhaskar Bandekar	✓	✓	✓	✓	✓	✓	✓
Mr. Vinod Kumar	✓	✓	✓	✓	✓	✓	✓
Mr. Santanu Bhattacharya	✓	✓	✓	✓	✓	✓	✓
Ms. Iram Hassan	✓	✓	✓	✓	✓	✓	✓

Role of the Board of Directors

The primary role of the Board of Directors (the Board) is to protect and enhance stakeholders' value through strategic supervisions and to provide leadership to the Company and to deliver stakeholders value over the long term. The Board sets the Company's strategic objectives, making sure they align with its values and standards and the desired business culture. The Board has the responsibility of ensuring effective management, implementation of the business strategy, monitoring the performance of the Company, its compliance efficacy and the effectiveness of the Company's corporate governance practices. Managing Director report to the Board and are in charge of running the Company's operations, executing the business strategy in consultation with the Board for achieving annual and long-term business goals.

Responsibilities of the Board leadership

Mr. Alok Kalani as the Chairman of the Board presides over Board meetings in a manner that encourages participation and information sharing while conducting the meetings towards timely closure and prudent decision- making. As Chairman, he provides leadership, overall direction and guidance to the Board. The Chairman is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Board and its Committees provide effective governance to the Company. The Chairman takes a lead role in managing the Board and facilitating effective communication among the Directors. He plays a significant role in setting up the governance standard of the Board and ensuring that the Board's decisions are aligned to the organisations vision, mission and strategy. He stays up-to-date about the organisation and determines when an issue needs to be brought to the attention of the Board.

DIRECTORS' & OFFICERS' LIABILITY INSURANCE

Pursuant to Regulation 25(10) of the Listing Regulations, the Company is not required to have a Directors and Officers Liability Insurance policy for its Directors and KMP for the year under review.

BOARD / COMMITTEE MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policies and strategy apart from other regular business matters. The Board/Committee Meetings are pre-

scheduled and a tentative calendar of the Board and Committee Meetings circulated to all Directors and invitees well in advance to enable them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business needs, the Board's approval is taken by passing resolution by circulation, for the matters permitted under law, which is noted and confirmed in the subsequent meeting of Board/Committee(s). Business unit heads and Senior Management Personnel make presentations to the Board as and when required. The Board is updated on the discussions held at the Committee Meetings and the recommendations made by various Committees. The agenda of the Board/Committee Meetings is set by the Company Secretary in consultation with the Chairman, MD/CFO and functional heads of the Company. Usually, meetings of the Board are held at the Registered Office of the Company at Kolkata.

Board meets at least once in a quarter to review the quarterly financial results, performance of the Company and other items on the agenda. Additional meetings are held, when necessary, on need basis. The Company also provides facility to the Directors to attend the meetings of the Board and its Committees through Video Conferencing mode and Other Audio-Visual Means when Board/Committees can't meet physically.

In Financial Year 2023-24, the Board met Nine times on April 28, 2023, May 15, 2023, June 15, 2023, July 15, 2023, July 18, 2023, July 26, 2023, November 06, 2023, December 27, 2023 and February 13, 2024. The maximum gap between any two Board meetings was less than one hundred and twenty days or any statutory extension thereof.

The Company Secretary interfaces between the management and regulatory authorities for governance matters. The Company's internal guidelines for Board and Committee meetings facilitate decision-making process at its meetings in an informed and efficient manner.

INFORMATION PLACED BEFORE THE BOARD

The Board has complete access to all Company related information. The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The agenda along with the notes thereon are sent well in advance to the Directors. All material information is circulated to the Directors before the meeting, as prescribed under

the Listing Regulations. The Management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings.

MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, in terms of Schedule IV to the Companies Act, 2013 and the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management. Such meeting is conducted in an informal and flexible manner to enable the Independent Directors to, inter alia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairman of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board of Directors to effectively and reasonably perform their duties.

During the Financial Year 2023-24, Independent Directors met on February 13, 2024.

CONFIRMATION OF INDEPENDENCE

The Independent Directors have confirmed that they meet the criteria of independence under section 149(6) of the Act and the Listing Regulations. The Board of Directors of the Company is of the opinion that the Independent Directors fulfil the conditions specified in Listing Regulations and are independent of the management.

CODE OF CONDUCT

The Company has in place a Code of Business Conduct and Ethics ("the Code") applicable to the Directors and Senior Management Personnel. The Code give guidance for ethical conduct of business and compliance of law. All Directors and Senior Management Personnel have affirmed compliance of the provisions of the Code during the Financial Year 2023-24 and a declaration from the Managing Director(s) to that effect is given at the end of this report.

The Code is posted on the Company's website and can be accessed at https://www.digidrivelimited.com/resources/pdf/investor/new/Code_of_Conduct_for_Directors_and_Senior_Management.pdf

COMMITTEES OF THE BOARD

The Committees of the Board play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations. The terms of reference of the Committees are determined by the Board from time to time. The Company's guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in

compliance with the Act and the Listing Regulations as applicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Matters requiring the Board's attention / approval, as emanating from the Board Committee Meetings, are placed before the Board with clearance of the Committee Chairman.

All the recommendations made by Board Committees during the year were accepted by the Board. Minutes of the proceedings of Board Committee Meetings are circulated to the respective Committee members and are placed before the Board for its information.

The Board currently has four Statutory Committees namely:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination & Remuneration Committee; and
4. Risk Management Committee

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

1. AUDIT COMMITTEE

(i) Objectives of the Committee

The primary objective of the Committee is, inter alia, to assist the Board with oversight of:

- i. The accuracy, integrity and transparency of the Company's financial statements with adequate and timely disclosures.
- ii. Compliance with legal and regulatory requirements.
- iii. The Company's Independent Auditors' qualifications and independence.
- iv. Review and monitor the performance of the Company's Independent Auditors and Internal Auditors.
- v. Acquisitions and investments made by the Company.

Process adopted by the Committee to fulfill its objectives

- Ensuring an effective and independent internal audit function, which works to provide assurance regarding the adequacy and operation of internal controls and processes intended to safeguard the Company's assets, effective and efficient use of the Company's resources, and timely and accurate recording of all transactions.
- Meeting the Independent Auditors from time to time to discuss key observations relating to the financial statements for the relevant period.

- Providing an independent channel of communication for the Compliance Officer, Internal Auditor and the Independent Auditor.
- Inviting members of the management, and at its discretion, external experts in legal, financial and technical matters, to provide advice and guidance.
- Meeting at least four times in a year and not more than 120 days shall elapse between two meetings.

- Providing periodic feedback and reports to the Board.

(ii) Composition:

As on March 31, 2024, Audit Committee comprises of three members compiling of Mr. Santanu Bhattacharya, Ms. Iram Hassan and Mr. Vinod Kumar, being the Chairman of the Committee. All members of the Audit Committee have accounting and financial management expertise. The Company Secretary acts as the Secretary to the Committee.

(iii) Meetings:

The Committee met three times during the year on November 06, 2023, December 27, 2023 and February 13, 2024. The attendance record of the Members at the Meeting is given below in Table 2.

Table 2: Attendance Record of Audit Committee Meetings

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Vinod Kumar	Chairman	Non-Executive /Independent Director	3	2
Mr. Santanu Bhattacharya	Member	Non-Executive /Independent Director	3	3
Ms. Iram Hassan	Member	Non-Executive /Independent Director	3	3

CFO and representatives of the Statutory Auditors and Internal Auditors are invited by the Audit Committee to the meetings. The Auditors are heard in the meetings of the Audit Committee when it considers the financial results of the Company.

(iv) Terms of reference

The functions of the Audit Committee of the Company include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon Investigating into any matter in relation to the items specified in the terms of reference and reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- i) Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - j) Reviewing the Company's risk management policies.
 - k) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - l) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 - m) Investigating any activity within its terms of reference and to seek any information it requires from any employee.
 - n) Obtain professional advice from external sources to carry on any investigation and have full access to information contained in the records of the Company.
 - o) Discuss any related issues with the internal and statutory auditors and the management of the Company.
 - p) Review and monitor the auditor's independence and performance, and effectiveness of audit process.
 - q) Approve subsequent modification of transactions of the Company with related parties.
 - r) Scrutinise the inter-corporate loans and investments and evaluate internal financial controls and risk management systems.
 - s) Oversee the vigil mechanism / whistle blower policy of the Company.
 - t) Review the utilisation of loans and / advances from investment by the Company in its subsidiaries for an amount exceeding
 - u) Rs. 100 Crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/ advances / investments.
 - v) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
 - w) Any other duties and responsibilities the Audit Committee may be required to discharge in terms of any amendment to the Act, or Rules made thereunder / or Listing Regulations that may be effected from time to time.
 - x) The Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews:
 - y) Management discussion and analysis of financial position and results of operations.
 - z) Statement of significant related party transactions, Management letters/ letters of internal control weaknesses issued by the Statutory Auditors.
 - aa) Internal audit reports relating to internal control weaknesses.
 - bb) The appointment, removal and terms of remuneration of the chief of internal audit function.
 - cc) Whenever applicable, monitoring end use of funds raised through public issues, rights issues, preferential issues by major category (capital expenditure, sales and marketing, working capital, etc.), as part of the quarterly declaration of financial results.
 - dd) In addition, Audit Committee of the Board is also empowered to review the financial statements, in particular, investments made by the unlisted subsidiary companies, in view of the requirements under Regulation 24 of the Listing Regulations.
- ## 2. STAKEHOLDERS' RELATIONSHIP COMMITTEE
- (i) **Objective of the Committee:**
- The objective of the Committee is to assist the Board and the Company to oversee the various aspects of interests of stakeholders of the Company such as:
1. Consider and resolve the security holders' concerns or complaints;
 2. Monitor and review the investor service standards of the Company;
 3. Take steps to develop an understanding of the views of shareholders about the Company, either through direct interaction, analysts' briefings or survey of shareholders;
 4. Oversee and review the engagement and communication plan with shareholders and ensure that the views and concerns of the shareholders are highlighted to the Board at the appropriate time and that steps are taken to address such concerns.

(ii) Composition:

As on March 31, 2024, the Stakeholders' Relationship Committee comprises of three members consisting of Mr. Alok Kalani, Chairman, Ms. Iram Hassan and Mr. Kiran Bhaskar Bandekar. The Company Secretary acts as the Secretary to the Committee.

(iii) Meetings:

The Committee met one time on February 13, 2024. Table 3 below reports the attendance record of the Members at the Meeting.

Table 3: Attendance Record of Stakeholders' Relationship Committee Meetings

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Alok Kalani	Chairman	Non-Executive /Non-Independent Director	1	1
Mr. Kiran Bhaskar Bandekar	Member	Executive Director	1	1
Ms. Iram Hassan	Member	Non-Executive - Independent Director	1	1

Details of the number and nature of complaints received and redressed during the financial year 2023-24 are given in the section titled "Additional Shareholder Information".

(iv) Terms of reference:

The terms of reference of the Stakeholders' Relationship Committee include looking into the redressal of grievances of shareholders and dealing with transfer and transmission of shares, non-receipt of annual report, non- receipt of declared dividends, issue of duplicate share certificates and new certificates against requests for split/consolidation/renewal of share certificates. The Committee is also responsible for looking into various interests of the shareholders of the Company.

For expediting the above processes, the Board has delegated necessary power to the Company Secretary who is also the Compliance Officer.

3. NOMINATION & REMUNERATION COMMITTEE**(i) Objective of the Committee:**

The objective of the Nomination and Remuneration Committee is to assist the Board of Directors in fulfilling its governance and supervisory responsibilities relating to human resource management and compensation and to ensure a fair, transparent and equitable remuneration to employees and Directors based on quality of people, their performance and capability.

(ii) Composition:

As on March 31, 2024, the Nomination and Remuneration Committee comprises of three members consisting of Mr. Vinod Kumar, Mr. Santanu Bhattacharya and Ms. Iram Hassan, being the Chairman of the Committee. The Company Secretary acts as the Secretary to the Committee.

(iii) Meetings:

The Committee met once on February 13, 2024.

Table 4: Attendance Record of Nomination and Remuneration Committee Meetings

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Ms. Iram Hassan	Chairman	Non-Executive /Independent Director	1	1
Mr. Vinod Kumar	Member	Non-Executive /Independent Director	1	-
Mr. Santanu Bhattacharya	Member	Non-Executive - Independent Director	1	1

(iv) Remuneration Policy:

In accordance with the recommendation of the Committee, the Company has formulated a Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company. The Committee is also responsible for recommending the fixation and periodic revision of remuneration of the Managing Director(s) and Senior Management. The above Remuneration Policy has been uploaded on the website of the Company and can be accessed at: https://www.digidriveindia.com/resources/pdf/investor/new/Nomination_and_Remuneration_Policy.pdf

(v) Terms of Reference:

The role of the Nomination and Remuneration Committee includes:

- To identify persons qualified to become directors or hold senior management positions and advise the Board for such appointments/removals, where necessary;
- To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for every appointment of an independent director and recommend to the Board the said appointment;
- To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of directors, key managerial personnel and other employees;
- To evaluate the performance of every director, key managerial personnel and other employees;
- To devise a policy on Board diversity;
- To ascertain whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To recommend to the Board all remunerations, in whatever form, payable to senior management of the Company.

(vi) Performance Evaluation of Board, its Committees and Individual Directors:

In terms of the requirements of the Act and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees. The Company has a structured assessment process for evaluation of performance of the Board, its committees and individual performance of each Director including the Chairperson. The evaluations are carried out in a confidential manner and the Directors provide their feedback by rating based on various metrics.

The Independent Directors at their separate meeting reviewed the performance of Non Independent Directors and the Board as a whole, the Chairman of the Company after taking into account the views of other Directors.

The performance evaluation criteria for non-executive including Independent Directors laid down by the Committee and taken on record by the Board includes:

- Attendance and participation in the Meetings.
- Preparedness for the Meetings.
- Understanding of the Company and the external environment in which it operates and contributes to strategic direction.
- Raising of valid concerns to the Board and constructive contribution to issues and active participation at meetings.
- Engaging with and challenging the management team without being confrontational or obstructionist.

4. RISK MANAGEMENT COMMITTEE**(i) Objectives of the Committee:**

The Committee oversees implementation of the risk management policy and risk management framework of the Company. It assists the Board of Directors in fulfilling its responsibilities with regard to Company's risk management, its mitigation process and compliance framework, with the help of its governance structure.

(ii) Composition:

As on March 31, 2024, the Risk Management Committee consisted of Mr. Alok Kalani (Chairman), Mr. Kiran Bhaskar Bandekar, Ms. Iram Hassan and Mr. Santanu Bhattacharya. Besides, the Committee also comprised of Mr. Asish Kumar Ray CFO of the Company. The Company Secretary acts as the Secretary to the Committee.

(iii) Meeting:

During the financial year 2023-24 the Committee once on February 13, 2024. Table 5 below gives the attendance record of the Members at the Meeting:

Table 5: Attendance Record of Risk Management Committee Meetings

Name of Members	Status	Category	No. of Meetings	
			Held	Attended
Mr. Alok Kalani	Chairman	Non-Executive /Non-Independent Director	1	1
Mr. Kiran Bhaskar Bandekar	Member	Executive /Non-Independent Director	1	1
Ms. Iram Hassan	Member	Non-Executive /Independent Director	1	1
Mr. Santanu Bhattacharya	Member	Non-Executive /Non-Independent Director	1	1
Mr. Asish Kumar Ray#	Member	Chief Financial Officer	1	1

Not a Director on the Board of the Company

(iv) Terms of reference:

- To formulate a detailed framework for identification of internal and external risks and the measures for risk mitigation including systems and processes for internal control of identified risks in order to ensure effective business continuity plan;
- To ensure that appropriate methodology, processes and systems to monitor and evaluate risks associated with the business of the Company;
- To periodically review the risk management policy, by considering the changing industry dynamics and evolving complexity and monitor and oversee implementation of the risk management policy;
- To keep the board of directors/the management informed about the discussions, recommendations and actions taken report;
- To review appointment, removal and terms of remuneration of the Chief Risk Officer.

REMUNERATION OF DIRECTORS

Payment of remuneration to Managing Directors is governed by the agreements executed with the Company and is also governed by Board and Shareholders' resolutions. The remuneration structure comprises salary, variable pay, perquisites and allowances and retirement benefits in the forms of superannuation and gratuity. The details of all remuneration paid or payable to the Directors have been given below.

Details of Sitting Fees paid to Non-Executive Directors during the Financial Year 2023-24 are as follows:

Name of Members	Fees paid (Rs.)
Mr. Alok Kalani	30,000
Ms. Iram Hassan	40,000
Mr. Santanu Bhattacharya	35,000
Mr. Vinod Kumar	Nil
Mr. Gopal Rath	25,000

Remuneration of the Managing Directors:

During the year under review, the Company has paid remuneration of ₹ 6.28 Lakhs inclusive of perquisites in accordance with the resolution passed by Shareholders at First Annual General Meeting held on July 26, 2023.

Shares held by Non-Executive Directors:

As on March 31, 2024, none of the Director held any equity share in Digidrive. Further no convertible instruments of the Company were outstanding.

SUBSIDIARY COMPANY

As on March 31, 2024, Digidrive had only one subsidiary Open Media Network Private Limited (OMNPL) which is also the material unlisted subsidiary of the Company in terms of Regulation 24(1) of the Listing Regulations. Ms. Iram Hassan, an Independent Director of the Company has been appointed on OMNPL's Board as an Independent Director with effect from July 26, 2023.

In terms of Regulation 16(1)(c) of Listing Regulations also OMNPL is Digidrive's material subsidiary

The relevant details of the said subsidiary as required under the Listing Regulations is given below:

Name of the Subsidiary	Open Media Network Private Limited
Date of Incorporation	19/03/2008
Place of Incorporation	India
Name of Statutory Auditors	M/s A.P. Mehta & Associates
Date of appointment of Auditor	03/08/2022

Web link of policy for determining material subsidiaries can be accessed at the Company's website at:- https://www.digidrive.com/resources/pdf/investor/new/Policy_for_Determination_of_Material_Subsiary.pdf

MANAGEMENT DISCUSSION AND ANALYSIS

This Annual Report has a detailed chapter on Management Discussion and Analysis.

DISCLOSURES BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions, if any, where Directors may have, a potential interest are provided to the Board, and the interested Directors neither participate in the discussion nor do they vote on such matters.

SENIOR MANAGEMENT

As on March 31, 2024, Mr. Kiran Bhaskar Bandekar, Managing Director, Mr. Asish Kumar Ray, Chief Financial Officer and Ms. Kriti Jain, Company Secretary were the Key Managerial Personnels of the Company. Other than the aforesaid there were no other Senior Managerial Personnel in the company.

DISCLOSURE OF ACCOUNTING CONVENTION IN PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in compliance with all material aspects of the applicable accounting principles in India, including accounting standards notified under Section 133 of

the Act and other relevant provisions of the Act and regulations thereunder, to the extent applicable.

FEES PAID TO THE STATUTORY AUDITORS BY THE COMPANY AND ITS SUBSIDIARIES

Fees for Audit and other services paid to the Statutory Auditors and all entities in the network firm/ network entity of which statutory auditors are a part was Rs. 4.28 lakhs.

CODE FOR PREVENTION OF INSIDER TRADING PRACTICES

The Company's "Insider Trading Prohibition Code" which is in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, lays down the guidelines and procedures and disclosures to be followed by the Insiders, while dealing with the Company's securities. The Trading Window is closed before the declaration of financial results, dividend and other important events as mentioned in the Code.

Apart from the above, the Company also has in place a "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" in terms of the aforesaid regulations. The Company Secretary is the Compliance Officer under the Code.

The above two codes are posted on the Company's website and can be accessed at- https://www.digidrivelimited.com/resources/pdf/investor/new/Prohibition_of_Insider_Trading_Code.pdf

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

There were no commodity risks faced by the listed entity during the year.

DETAILS OF UTILIZATION OF FUNDS

The Company does not have any reporting of its utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). in terms of Listing Regulations.

RELATED PARTY TRANSACTIONS

Details of transactions of a material nature with any of the related parties as specified in Indian Accounting Standard (IND AS) – 24 issued by the Institute of Chartered Accountants of India are disclosed in Note 23 to the standalone financial statements for the Financial year 2023- 24. There has been no material transaction with any of the related parties which was in conflict with the interests of the Company. There has been no material pecuniary relationship or transaction between the Company and its Directors during the year.

The Company's policy on dealing with Related Party Transactions is uploaded in company's website and can be accessed at: https://www.digidrivelimited.com/resources/pdf/investor/new/POLICY_STATEMENT_ON_MATERIALITY_OF_RELATED_PARTY_TRANSACTIONS.pdf

LOANS AND ADVANCES

During the year under review Company and its subsidiaries has not given any loans and advances to firms / companies in which Directors of the Company are interested.

ESTABLISHMENT OF VIGIL / WHISTLE BLOWER MECHANISM

The Company has established a mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimisation of employees who are entitled to avail the mechanism and direct access to the chairperson of the Audit Committee in exceptional cases. During the year, no such case has been reported hence the question of denying any personnel due access to Audit Committee does not arise.

ANTI-SEXUAL HARASSMENT POLICY

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 covering all employees of the Company. Further, the Company has set up an Internal Complaint Committee in compliance with Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

Disclosure in relation to the Sexual Harassment of Women at Workplace:

Number of complaints filed during the financial year	0
Number of complaints disposed of during the financial year	0
Number of complaints pending as on end of the financial year	0

CEO/CFO CERTIFICATION

Certification by the CEO and the CFO to the financial statements for the year have been submitted to the Board of Directors, as required under the Listing Regulations and provided elsewhere in the Report.

PRACTICING COMPANY SECRETARY CERTIFICATE ON DIRECTOR QUALIFICATION

The Company has obtained a Certificate from Secretarial Auditors, M/s. M R & Associates., Company Secretaries, confirming that none of the Directors has been debarred or disqualified from being appointed or continuing on the Board as Directors of any company by any statutory authority.

RE-APPOINTMENT OF DIRECTORS

Mr. Gopal Rath (DIN:00553066) retires at the conclusion of the forthcoming Annual General Meeting of the Company, and being eligible, offers himself for re-appointment.

Details of Directorship/ Committee memberships of the Mr. Gopal Rath given below:

Name of the Director	Gopal Rath
Age	49
Brief Resume	Mr. Gopal Rath has vast experience in acquisitions and takeovers. He has been instrumental in turning around many Companies. He holds a bachelor's degree in commerce from the University of Calcutta. He is a member of the Institute of Chartered Accountants of India. He has over 20 years of experience in field of finance and business strategy. Previously he was also associated with Hutch for looking after their business planning and finance.
Other Directorship / Committee memberships	<ol style="list-style-type: none"> 1) RPSG Sports Private Limited 2) Business Media Private Limited 3) Eminent Electricity Distribution Limited 4) Editorji Technologies Private Limited 5) Herbolab India Private Limited 6) Purvah Green Power Private Limited 7) Pocket Aces Pictures Private Limited 8) Aquapharm Chemicals Private Limited
Shareholding in the Company	Nil

COMMUNICATION TO SHAREHOLDERS

Digidrive puts forth key information about the Company and its performance, including quarterly results, official news releases and presentations to the Institutional Investors/ analysts, on its website at www.digidriveindia.com regularly in compliance with the provisions of the Act and Listing Regulations for the benefit of its shareholders and the public at large.

During the year, the Company's quarterly/half-yearly/ annual results, prepared in accordance with the Listing Regulations, have been published in "Financial Express", a leading English and "Aajkal", a Vernacular language newspapers and posted on the website of the Company as well as on the websites of the Stock Exchanges where the shares of the Company are listed. Hence, they are not separately sent to the shareholders. However, the Company furnishes the results on receipt of a request from the shareholder.

GREEN INITIATIVE

The Company supports the 'Green Initiative' undertaken by the MCA, enabling electronic delivery of documents including Annual Report etc. to shareholders at their e-mail address already registered with the Depository Participants ("DPs") and Registrar and Share Transfer Agents ("RTA"). Additionally, the Company conducts various meetings by means of electronic mode in order to ensure the reduction of carbon footprint.

In view of the above, shareholders who have not yet registered their email addresses are requested to register the same with their DPs/ the Company's RTA for receiving all communications, including Annual Report, Notices, Circulars etc. from the Company electronically.

GENERAL BODY MEETINGS

The date, time and venue of the last three annual general meetings are given below.

Financial year	Date	Time	Venue	Special Resolutions Passed
2023-24	26/07/2023	4:00 P.M.	33, Jessore Road Dum Dum, Kolkata, West Bengal, India, 700028	Seven

No resolution is proposed to be passed through postal ballot as on the date of this report.

No resolutions were passed through Postal Ballot during the financial year 2023-24. Further, during the year under review the Company had sought approval of the shareholders for the following resolutions in General Meetings:

Date of Extra-Ordinary General Meeting	Resolutions
03/07/2024	<ol style="list-style-type: none"> Approval for consolidation in face value of equity shares and consequential alteration of capital clause of the memorandum of association of the company. Approval for increase in authorised share capital of the company and consequential alteration of capital clause of the memorandum of association of the company. Approval for alteration of the existing object clause of the Memorandum of Association (MOA) of the company. Adoption of new set of Articles of Associations ('AOA') in place of existing AOA. Approval of Material Related party Transactions with Saregama India Limited.

(9) General shareholder information:

The 2nd Annual General Meeting of the Company shall be held on Friday, September 06, 2024 at 11.00 a.m. (IST) via Video Conferencing (VC) and Other Audio-Visual Means (OAVM)

COMPLIANCE

No penalty has been imposed by any stock exchange, SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market .

NON-MANDATORY REQUIREMENTS

The details of compliance of the non-mandatory requirements are listed below.

• SHAREHOLDER RIGHTS

Details of the shareholders' rights in this regard are given in the section 'Communication to Shareholders'.

• AUDIT QUALIFICATIONS

During the financial year 2023-24, there was no audit qualification in the financial statements of the Company. The Company continues to adopt appropriate best practices in order to ensure unqualified financial statements.

CONFIRMATION

- The Company has obtained a Certificate from the Secretarial Auditors regarding compliance of conditions of corporate governance, as mandated in Regulation 27 of the Listing Regulations. The certificate is annexed to this report.
- The Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations to the extent applicable as the equity shares of the Company has been Listed on BSE Ltd and National Stock Exchange Limited w.e.f. January 10, 2024.
- To the best of its knowledge, Digidrive has complied with all requirements of the regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

On behalf of the Board of Directors

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Date : May 28, 2024

PRACTICING COMPANY SECRETARY'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Members,
DIGIDRIVE DISTRIBUTORS LIMITED
33, Jessore Road, Dum Dum
Kolkata- 700028

1. We have examined the compliance of conditions of Corporate Governance by Digidrive Distributors Limited (hereinafter called the Company) for the Financial Year ended on 31st March, 2024 (covering the period w.e.f. 10th January, 2024, the date on which the equity shares of the Company was listed and admitted to dealings on BSE Ltd and National Stock Exchange Limited ("Stock Exchanges") as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations').
2. The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and the management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') w.e.f. 10th January, 2024.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

5. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For MR & Associates

Company Secretaries

A Peer Reviewed Firm

Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]

Partner

FCS No.:F11977

C P No.:14929

UDIN: F011977F000467586

Place: Kolkata
Date: 28.05.2024

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
DIGIDRIVE DISTRIBUTORS LIMITED
33, Jessore Road Dum Dum,
Kolkata - 700028

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DIGIDRIVE DISTRIBUTORS LIMITED having CIN L51909WB2022PLC252287 and having registered office at "33, Jessore Road Dum Dum, Kolkata – 700028" (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and declarations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Date of Appointment in Company
1.	Mr. Gopal Rathi	00553066	15/03/2022
2.	Mr. Alok Kalani	03082801	15/03/2022
3.	Mr. Kiran Bhaskar Bandekar	10245133	18/07/2023
4.	Ms. Iram Hassan	10183873	18/07/2023
5.	Mr. Santanu Bhattacharya	01794958	18/07/2023
6.	Mr. Vinod Kumar	01800577	26/07/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]

Partner

FCS No.: F11977

C P No.: 14929

UDIN: F011977F000467564

Place: Kolkata
Date: 28.05.2024

Annexure 'C' to the Board's Report

Additional Shareholder Information

ANNUAL GENERAL MEETING

Day & Date : September 06, 2024
 Time : 11:00 A.M. (IST)
 Venue : Video Conferencing/Other Audio-Visual Means

FINANCIAL CALENDAR : April 1 to March 31

For the year ended March 31, 2024, results were announced on:

First quarter : Not Applicable*
 Second quarter : Not Applicable*
 Third quarter : February 13, 2024
 Fourth quarter and annual : May 28, 2024

* Equity Shares of the Company has been listed on the stock exchanges w.e.f. January 10, 2024

For the year ended March 31, 2025, results will be announced on:

First quarter : On or before August 14, 2024*
 Second quarter : On or before November 14, 2024*
 Third quarter : On or before February 14, 2025*
 Fourth quarter and annual : On or before May 30, 2025*

* The above dates are subject to any statutory extension, if any, allowed in future.

DIVIDEND

The Board of Directors has not declared any dividend during the Financial Year 2023-24. The Company has adopted a Dividend Distribution Policy as per the requirement of Listing Regulations. The Policy is available on the website of the Company and can be accessed at: https://www.digidriveindia.com/resources/pdf/investor/new/dividend_distribution_policy_digidrive_limited.PDF

LISTING

Equity shares of Digidrive Distributors Limited are listed on BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai w.e.f. January 10, 2024.

ISIN & STOCK CODES DETAILS

Equity shares (ISIN: INE0PSC01024)

Stock Exchanges	Stock Code
BSE Limited	544079
(Phiroze Jeejeeboy Tower, Dalal Street, Mumbai – 400001)	
The National Stock Exchange of India Limited	DIGIDRIVE
(Bandra Kurla Complex, Bandra (E), Mumbai – 400051)	

All listing and custodial fees to the stock exchanges and depositories have been duly paid upto financial year 2024-25.

Table 1: High and Low Prices at the BSE and NSE (₹)

Month	Bombay Stock Exchange (BSE)		National Stock Exchange of India Limited (NSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
January, 2024	125.15	55.90	108.70	55.80
February, 2024	66.10	48.50	66.40	48.35
March, 2024	49.88	34.80	49.50	34.70

Table 2 below provides the closing price of Digidrive Distributors Limited's equity shares on NSE with leading market and sector indices at the last trading day for each month during the financial year 2023-24:

Table 2: Performance in Comparison to NSE, BSE Sensex and BSE 500 Index

As on close of last trading day for each month	Digidrive Distributors Limited's Closing Price on NSE (₹)	NSE Nifty (₹)	BSE Sensex (₹)	BSE 500 Index (₹)
January, 2024	61.60	21,725.70	71,752.11	31,303.35
February, 2024	48.55	21,982.80	72,500.30	31,777.02
March, 2024	38.80	22,326.90	73,651.35	32,043.20

INVESTOR SERVICES

Particulars of Registrar and Share Transfer Agent ('RTA'), of the Company are given below:

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083
Phone: +91 22 4918 6000
Fax: +91 22 4918 6060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Investors correspondence may be sent to the Company's RTA at the above address or at the Company's registered address given below:

Secretarial Department
Digidrive Distributors Limited
33, Jessore Road,
Dum Dum,
Kolkata - 700 028, India.
Tel: +91 (033) 25512984
Email ID: digidrive.sec@rpsg.in

Ms. Kriti Jain, Company Secretary, is also the Compliance Officer overseeing the process of redressal of all shareholders' grievances.

In compliance with the SEBI circular dated December 27, 2002, requiring share registry in terms of both physical and electronic mode to be maintained at a single point, Digidrive Distributors Limited established direct connections with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the two depositories, through its RTA.

The Company's equity shares are under compulsory dematerialised trading. Shares held in the dematerialised form are electronically traded in the Stock Exchanges. The RTA of the Company periodically receives data regarding the beneficiary holdings, so as to enable them to update their records and send all corporate communications, dividend warrants, etc.

As on March 31, 2024, dematerialised shares accounted for 100 % of total equity. The Company has not issued any GDRs /ADRs/Warrants as on March 31, 2024.

To the best of our knowledge, there is no subsisting court order in legal proceedings against Digidrive Distributors Limited in any share transfer matter.

Table 3 gives details of the number and nature of complaints for the year 2023-24:

Table 3: Complaints from Shareholders during 2023-24:

Particulars	Complaints				
	Non-receipts of certificates	Non-Receipt of Dividend	Non-Receipt of Annual Reports / Demat Related	Others	Total
Received during the year	0	0	0	0	0
Attended during the year	0	0	0	0	0
Pending as on March 31, 2024*	0	0	0	0	0

* As confirmed by the Stock Exchanges and Registrar and Transfer Agent.

SHAREHOLDING PATTERN

Tables 4 and 5 give the pattern of shareholding by ownership and share class respectively.

Table 4: Pattern of Shareholding by Ownership as on March 31, 2024.

Category	Total No. of Shares	Percentage
1. Promoter / Promoter Group	22686188	58.83
2. Institutional Investors		
a. Mutual Funds	6	0.00
b. Alternate Investment Fund	412676	1.07
c. Banks, Financial Institutions, Insurance Companies	908	0.00
d. FIIs	2011593	5.22
Total	2425279	6.29
3. Others		
a. Bodies Corporate	1503816	3.90
b. NBFC	200	0.00
c. Indian Public	11286444	29.27
d. NRIs	505195	1.31
e. Others(IEPF)	154776	0.40
Total	13450431	34.88
Grand Total	38561898	100.00

Table 5: Pattern of Shareholding by Share Class as on March 31, 2024

Shareholding Class	No. of shareholders	No. of shares held	Shareholding %
1 to 500	47804	2261850	5.865
501 to 1,000	1318	1027403	2.6643
1,001 to 2,000	698	1064439	2.7603
2,001 to 3,000	253	643706	1.6693
3,001 to 4,000	123	449023	1.1644
4,001 to 5,000	110	525029	1.3615
5,001 to 10,000	165	1267627	3.2873
10,001 and above	183	31322821	81.2274
Total	50654	38561898	100

PLANT / OFFICE LOCATIONS

The Company does not have any plant. The details of Registered Office of the Company is mentioned elsewhere in the Annual Report.

CREDIT RATINGS

The Company did not obtain any credit rating during the Financial Year.

TRANSFER OF UNCLAIMED DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

The Company was incorporated on March 15, 2022 and since its incorporation the Company has never declared any dividend. So IEPF provisions are not applicable to the Company during the year.

UNCLAIMED SHARES

In terms of the Listing Regulations, the Company has opened separate an Unclaimed Suspense Escrow Account wherein 1,06,163 equity shares were credited pursuant to the Scheme of Arrangement. These equity shares may be claimed back by the concerned shareholders on compliance of necessary formalities.

It may also be noted that all the corporate benefits, if any accruing to these shares shall also be credited to the said "Unclaimed Suspense Escrow Account" and the voting rights of these equity shares shall remain frozen until the rightful owner claims the shares.

The status of equity shares lying in Digidrive Distributors Limited's Unclaimed Suspense Escrow Account is given below:

Sl. No.	Particulars	No. of shareholders	No. of equity shares held
i.	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the beginning of the year.	-	-
ii.	No. of shares credited to unclaimed suspense account pursuant to scheme of arrangement.	2015	1,06,163
iii.	No. of shareholders who approached the Company for transfer of shares from the suspense account.	-	-
iv.	No. of shareholders to whom shares were transferred from the suspense account.	-	-
v.	Aggregate number of shareholders and the outstanding shares lying in the suspense account at the end of the year.	2015	1,06,163

On behalf of the Board of Directors

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Date : May 28, 2024

DECLARATION

As required under the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is confirmed that all Directors and Senior Management Officers have affirmed compliance of the Code of Business Conduct and Ethics during the Financial year 2023-24.

Place : Kolkata
Date : May 28, 2024

Kiran Bhaskar Bandekar
Managing Director
(DIN: 10245133)

CEO/CFO Certification

The Board of Directors
Digidrive Distributors Limited
33, Jessore Road Dum Dum,
Kolkata – 700028

Madam/Sir (s),

As required under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements), 2015, we hereby certify that:

- a. We have reviewed the financial statements and the cash flow statement of Digidrive Distributors Limited for the year ended March 31, 2024 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies, if any, in the design or operation of such internal control, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. There was no:
 - i) significant change in internal control over financial reporting during the year;
 - ii) significant change in accounting policies during the year; and
 - iii) instance of significant fraud involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours faithfully,
For **Digidrive Distributors Limited**

Date: May 28, 2024
Place: Kolkata

Asish Kumar Ray
Chief Financial Officer

Kiran Bhaskar Bandekar
Managing Director
DIN: 10245133

Annexure 'D' to the Board's Report

Form No. MR - 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
DIGIDRIVE DISTRIBUTORS LIMITED
33, Jessore Road, Dum Dum
Kolkata- 700028
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DIGIDRIVE DISTRIBUTORS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act), amendments thereof and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations /guidelines/ circulars as may be issued by SEBI from time to time to the extent applicable;

We further report that, there were no actions/ events in pursuance of;

- (a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- vi) **We further report that** having regard to the compliance system prevailing in the Company, we have relied upon the representation made by the Management, for compliance with the following specific applicable laws as identified by the Company.

- (a) Indian Copyright Act, 1957;
- (b) The Trademark Act, 1999;

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

- (i) Secretarial Standards as mandated and issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Ltd vide Agreement dated 22.08.2023 for listing of the new equity shares on the Stock Exchanges pursuant to the scheme of Arrangement entered between Saregama India Limited ('Demerged Company') and Digidrive Distributors Limited ('Resulting Company') and the said equity shares was listed and admitted to dealings on BSE Ltd and National Stock Exchange Limited ("Stock Exchanges") w.e.f. 10th January, 2024.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however, the software for maintenance of structured digital database software was obtained in the month of March 2024.

We further report that,

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices had been given to all directors before scheduling the Board Meetings and agendas and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions at Board Meetings and Committee Meetings recorded in the minutes of the meetings of the Board of Directors or Committees of the Board.

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

We further report that during the Audit Period, the Company has undertaken the below mentioned specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc:

- I. The Company had obtained approval of shareholders at the Extra-Ordinary General Meeting held on 03.07.2023 by way of passing Special/Ordinary Resolution for –
 - a) Consolidation in face value of Equity shares of 1,00,000 (One Lakh Only) equity shares of INR 1/- (Indian Rupees One Only) each fully paid up into 10,000 (Ten Thousand) equity shares of INR 10/- (Indian Rupees Ten Only) each fully paid up and consequential alteration of Capital Clause of the Memorandum of Association of the Company.
 - b) Increase in Authorised Share Capital of the Company from the existing INR 1,00,000/- (Indian Rupees One Lakh Only) divided into 10,000 (Ten Thousand) equity shares having a face value of INR 10/- (Indian Rupees Ten Only) each to INR 40,00,00,000/- (Indian Rupees Forty Crores Only) divided into 4,00,00,000 (Four Crore) equity shares having a face value of INR 10/- (Indian Rupees Ten Only) each and consequential alteration of Capital Clause of the Memorandum of Association of the Company.
 - c) Alteration of the existing object clause of the Memorandum of Association of the Company.
 - d) Adoption of new set of Articles of Association ('AOA') in place of existing AOA of the Company.
- II. The Company had further obtained approval of shareholders at the Annual General Meeting held on 26.07.2023 by way of passing Special/Ordinary Resolution for –
 - a) Appointment of Mr. Santanu Bhattacharya (DIN: 01794958) as a Non-Executive Independent Director of the Company for a term of five consecutive years commencing from July 18, 2023 up to July 17, 2028.
 - b) Appointment of Ms. Iram Hassan (DIN: 10183873) as a Non-Executive Independent Woman Director of the Company for a term of five consecutive years commencing from July 18, 2023 upto July 17, 2028.
 - c) Appointment of Mr. Vinod Kumar (DIN: 01800577) as a Non-Executive Independent Director of the Company for a term of five consecutive years commencing from July 26, 2023 upto July 25, 2028.

- d) Appointment of Mr. Kiran Bandekar as a Managing Director of the Company for a term of five consecutive years commencing from July 18, 2023 upto July 17, 2028.
- e) Approval of the overall borrowing limits under Section 180(1)(c) of the Companies Act, 2013 which shall not at any time exceed Rs. 100 Crore (Rupees One Hundred Crore only) or equivalent amount in any other foreign currency.
- f) Approval under Section 180(1)(a) of the Companies Act, 2013 inter alia for creation of mortgage or charge on the assets, properties or undertaking(s) of the Company equivalent to the borrowing limits of the Company.
- g) Approval to give loan or make investment or give guarantee or provide security in connection with loans to another company or Body Corporate upto a sum not exceeding Rs. 100 Crores (Rupees One Hundred Crore Only).

We further report that, during the audit period a Scheme of Arrangement between Saregama

India Limited ('Demerged Company') and Digidrive Distributors Limited ('Resulting Company') was approved by Hon'ble National Company Law Tribunal, Kolkata Bench ('NCLT') vide its Order dated June 22, 2023.

This Report is to be read with our letter of even date which is annexed as **"Annexure A"** and forms an integral part of this Report.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]

Partner

FCS No.: F11977

C P No.: 14929

UDIN: F011977F000467124

Place: Kolkata

Date: 28.05.2024

"ANNEXURE – A" TO THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To,
The Members,
DIGIDRIVE DISTRIBUTORS LIMITED
33, Jessore Road, Dum Dum
Kolkata- 700028
West Bengal

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and also based on opinions furnished to us by the Company. We believe that the processes and practices, we followed provide a reasonable basis for our opinion
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said provisions is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said provisions of the Act. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
6. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification and examination of records, as facilitated by the Company.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
8. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/ agencies/authorities with respect to the Company;
9. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]
Partner

FCS No.:F11977

C P No.:14929

UDIN: F011977F000467124

Place: Kolkata

Date: 28.05.2024

Annexure 'E' to the Board's Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
OPEN MEDIA NETWORK PRIVATE LIMITED
33, Jessore Road Dum Dum,
Kolkata- 700028

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. OPEN MEDIA NETWORK PRIVATE LIMITED** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024 ("the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2024 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – (Not applicable to the Company during the Audit period);
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- v) We further report that the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are not applicable, as the Company being an unlisted entity;

- vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the audit period, as the Company being an unlisted entity:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- vii) The Company had identified The Press and Registration of Books Act, 1867 as specifically applicable to the Company.

We further report that having regard to the compliance system prevailing in the Company, we have relied upon the

representation made by the Management, for compliance with the other applicable laws.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges – (Not Applicable as the Company being an unlisted entity).

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

We further report that,

The Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Ministry of Corporate Affairs (MCA) vide Notification dated July 05, 2017 notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, thereby exempting wholly owned subsidiary, Joint Venture and Dormant Company which are unlisted public Companies from the requirement of appointing Independent Directors and hence, no Audit Committee, Nomination and Remuneration Committee exists as on the Financial Year ended 31st March 2024.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes, however, no specific instances of dissent have been recorded in the Minutes during the audit period.

We further report that during the audit period, the Company had obtained approval of shareholders at the Annual General Meeting held on 26th July, 2023 for appointment of Mr. Anil Bisht (DIN: 09713208) as a Whole -Time Director for a term of five consecutive years commencing from 29th June, 2022 to 28th June, 2027 and fixation of his remuneration.

We further report that the company became a wholly-owned subsidiary of Digidrive Distributors Limited Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Kolkata Bench vide Order dated 22 June 2023 ("Order"), with effect from the Appointed Date i.e., 1 April 2022.

This Report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an Integral Part of this Report.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]

Partner

FCS No.: F11977

C P No.:14929

UDIN: F011977F000441835

Place: Kolkata

Date: 24.05.2024

"ANNEXURE – A" TO THE SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To,
The Members,
OPEN MEDIA NETWORK PRIVATE LIMITED
33, Jessore Road Dum Dum,
Kolkata- 700028

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records and also based on opinions furnished to us by the Company. We believe that the processes and practices, we followed provide a reasonable basis for our opinion
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company as well as the correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws, though we have relied to a certain extent on the information furnished in such returns.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said provisions is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said provisions of the Act. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
6. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute. We have conducted online verification and examination of records, as facilitated by the Company.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
8. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/ agencies/authorities with respect to the Company;
9. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MR & Associates**
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

[Sneha Khaitan Jalan]

Partner

FCS No.: F11977

C P No.:14929

UDIN: F011977F000441835

Place: Kolkata

Date: 24.05.2024

Annexure 'F' to Boards' Report

Particulars as required under section 134 of the Companies Act, 2013

Particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo for the year ended 31 March, 2024

A. Conservation of energy

The Company is committed towards conservation of energy and climate action. During the year under review several initiatives were aligned to achieve the targets such as building infrastructure with higher energy efficiencies in heating, ventilation, and air conditioning systems, uninterruptible power supply (UPS), green buildings and energy monitoring & analytics.

B. Technology Absorption, Adaptation and Innovation:

The Company realizes the importance of innovation and constant improvement in key areas of business. It is focused on driving innovation and adopting solutions in line with rapidly evolving technological trends. Inherent culture of innovation of the Company has enabled to develop a track record of product innovation, expand the range of our offerings and improve the delivery of our products and services. The Company has a dedicated team of skilled individuals with technical background and domain expertise in various fields with a focus on evolving technologies.

C. Research and Development:

Research and Development activities are an area of focus for the Company for achieving constant improvements in various operational functions for enhancing quality, productivity and consumer satisfaction.

D. Foreign Exchange Earnings and Outgo

There has been no foreign exchange income or earnings (previous year- Nil) during the year.

On behalf of the Board of Directors

Place : Kolkata

Date : May 28, 2024

Alok Kalani

Chairman

DIN:03082801

'ANNEXURE - G' to the Boards' Report

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2023-24 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2023-24 are as under:

Sl. No.	Name of Director / KMP and Designation	Remuneration of Director / KMP for FY 2023-24 (Rs. in Lakhs)	% increase in Remuneration in the FY 2023-24	Ratio of remuneration of each Director / to median remuneration of employees
1.	Mr. Kiran Bandekar, Managing Director*	Rs. 6.28	NA	1.81:1
2.	Mr. Asish Kumar Ray, Chief Financial Officer*	Rs. 6.69	NA	NA
3.	Ms. Kriti Jain, Company Secretary*	Rs. 4.04	NA	NA

*All the above were appointed as KMPs with effect from 18th July, 2023. Hence, increase in remuneration is not applicable for FY2023-24.

Note: No other Director of the Company other than the Managing Director of the Company received any remuneration other than sitting fees during the FY 2023-24.

- ii) As all the employees got appointed during the FY 2023-24, hence, % change in the median remuneration of employees is not applicable for FY2023-24.
- iii) There were 10 permanent employees on the rolls of Company as on 31st March, 2024.
- iv) As all the employees including managerial personnel got appointed during the FY 2023-24. Hence, % change in the salaries of employees other than managerial personnel and % change in the managerial remuneration is not applicable for FY2023-24.
- v) It is hereby affirmed that the remuneration paid during the Financial Year ended 31st March, 2024 is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Alok Kalani

Chairman

DIN:03082801

Place: Kolkata

Date: 28.05.2024

Independent Auditor's Report

To
The Members of
Digidrive Distributors Limited

Report on the Audit of the Standalone Financial Statements

We have audited the standalone financial statements of Digidrive Distributors Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of 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 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. We have determined that there are no key audit matters to communicate in our report.

Information Other than the standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report

including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's 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 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 during the course of our 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.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. A. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone Balance Sheet, Statement of Changes in Equity and 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 Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 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 over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company does not have any pending litigations which would impact its financial position.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any materials foreseeable losses.
- c) There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.
- e) In our opinion and based on the information and explanation provided to us, no dividend has been declared or paid during the year by the Company.
- f) Based on our examination, which included test checks, except for the instance mentioned below, the Company has used accounting software (SAP-ERP) for maintaining its books of account for the financial year ended March 31, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software:
- With respect to the accounting software mentioned above, the feature of recording audit trail (edit log) facility was not available at the application layer and at the database level to log any direct data changes.
- Further, for the period where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Vidya & Co.**
Firm Registration no.: 308022E
Chartered Accountants

(Jitendra Nagar)
Partner

Membership No: 055659
UDIN-24055659BKGZYI5892

Kolkata, the 28th day of May 2024

ANNEXURE "A" to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Digidrive Distributors Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over the financial reporting of **Digidrive Distributors 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.

Management's Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of fraud 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 over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of standalone financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting in future years are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the criteria for internal financial control over financial reporting 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 ICAI.

For **Vidya & Co.**
Firm Registration no.: 308022E
Chartered Accountants

(Jitendra Nagar)

Partner

Membership No: 055659

UDIN-24055659BKGZYI5892

Kolkata, the 28th day of May 2024

ANNEXURE 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Digidrive Distributors Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company does not have any Property, Plant and Equipment and thus the provisions of clause 3(i)(a)(A) of the said Order are not applicable to the Company.
 - (B) The Company does not have any intangible assets and thus the provision of clause 3(i)(a)(B) of said Order is not applicable to the Company.
 - (b) The Company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(b), 3(i)(c) and 3(i)(d) of the Order is not applicable.
 - (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records.
- (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 sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- 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 made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- 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 neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- 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 manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- vii. In respect of statutory dues:
 - (a) 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 Services Tax ('GST'), Provident fund, Income-Tax, and other statutory dues have been regularly deposited by the Company 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 Services Tax ('GST'), Provident fund, Income-Tax, and other statutory dues were in arrears as at 31 March 2024 for a year 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, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax, or other 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 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 did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations are given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful 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 and there are no outstanding term loans at the beginning of 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 a short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary
- (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. Accordingly, clause 3(ix)(f) is not applicable.
- x. (a) The Company has not raised any money by way of an 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) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 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 Sections 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 the 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 year 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.
- xvii. The Company has not incurred cash losses in the current financial year.
- 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 are given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment

of financial liabilities, and other information accompanying the 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 the balance sheet as and when they fall due within a year 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 year of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **Vidya & Co.**

Firm Registration no.: 308022E

Chartered Accountants

(Jitendra Nagar)

Partner

Membership No: 055659

UDIN-24055659BKGZYI5892

Kolkata, the 28th day of May 2024



Standalone Balance Sheet

as at 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
(1) Non-current assets			
(a) Financial assets			
(i) Investments	3	21,892.52	12,205.81
(ii) Other financial assets	5.5	214.41	-
Total non-current assets		22,106.93	12,205.81
(2) Current assets			
(a) Inventories	4	431.84	415.66
(b) Financial assets			
(i) Investments	5.1	201.51	-
(ii) Trade receivables	5.2	328.08	225.23
(iii) Cash and cash equivalents	5.3	872.77	500.00
(iv) Bank balances other than (iii) above	5.4	599.33	-
(v) Other financial assets	5.6	-	740.97
(c) Current tax assets (net)	6	18.15	17.59
(d) Other current assets	7	139.73	74.82
Total current assets		2,591.41	1,974.27
TOTAL ASSETS		24,698.34	14,180.08
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	8.1	3,856.19	-
(b) Equity share suspense account	8.2	-	3,856.19
(c) Other equity	8.3	18,619.33	9,575.19
Total equity		22,475.52	13,431.38
Liabilities			
(1) Non-current liabilities			
(a) Deferred tax liabilities (net)	9	1,859.06	748.70
Total non-current liabilities		1,859.06	748.70
(2) Current liabilities			
(a) Financial liabilities			
(i) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	10	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	10	308.50	-
(ii) Other financial liabilities	11	47.05	-
(b) Other current liabilities	12	6.42	-
(c) Provisions	13	1.79	-
Total current liabilities		363.76	-
TOTAL LIABILITIES		2,222.82	748.70
TOTAL EQUITY AND LIABILITIES		24,698.34	14,180.08

The accompanying notes 1 to 32 are an integral part of these standalone financial statements
As per our report of even date attached

For Vidya & Co.

Chartered Accountants
Firm's Registration No.: 308022E

Jitendra Nagar

Partner
Membership Number: 055659

Place : Kolkata
Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman
DIN: 03082801
Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata
Date : 28 May 2024

Kiran Bandekar

Managing Director
DIN: 10245133
Place : Kolkata

Kriti Jain

Company Secretary
M. No.ACS 62248

Place : Kolkata
Date : 28 May 2024

Standalone Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Notes	Year ended 31 March 2024	Period ended 31 March 2023
I Revenue from operations	14	3,190.09	2,821.90
II Other income	15	723.97	695.30
III Total income (I+II)		3,914.06	3,517.20
IV Expenses			
Operational Cost	16	3,107.69	2,751.35
Employee benefits expense	17	30.86	-
Other expenses	18	175.39	27.00
Total expenses (IV)		3,313.94	2,778.35
V Profit before tax (III-IV)		600.12	738.85
VI Tax expense			
- Current tax	19	180.99	168.23
- Deferred tax	19	(15.09)	-
Total tax expense (VI)		165.90	168.23
VII Total profit for the period (V-VI)		434.22	570.62
VIII Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
(a) Changes in fair value of equity instruments designated at FVOCI		9,686.72	(2,322.46)
(b) Income tax relating to items that will not be reclassified subsequently to profit or loss		1,125.45	(261.18)
Other comprehensive income for the period, net of tax (VIII)		8,561.27	(2,061.28)
IX Total comprehensive income for the period (VII+VIII)		8,995.49	(1,490.66)
X Earnings per equity share: [Nominal value per share Rs.10/-]			
Basic (Rs.)	26	1.13	1.55
Diluted (Rs.)	26	1.13	1.55

The accompanying notes 1 to 32 are an integral part of these standalone financial statements

As per our report of even date attached

For Vidya & Co.

Chartered Accountants

Firm's Registration No.: 308022E

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Jitendra Nagar

Partner

Membership Number: 055659

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Kiran Bandekar

Managing Director

DIN: 10245133

Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Kriti Jain

Company Secretary

M. No.ACS 62248

Place : Kolkata

Date : 28 May 2024

Place : Kolkata

Date : 28 May 2024

Place : Kolkata

Date : 28 May 2024

Statement of Cash Flow

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
A. Cash Flow from Operating Activities		
Profit Before Tax	600.12	738.85
Adjustments for:		
Interest income	(27.15)	-
Fair value gain on Mutual fund at FVTPL	(1.52)	-
Dividend income from equity investments designated at FVOCI	(695.30)	- (695.30)
	(723.97)	-
Operating profit before Working Capital Changes	(123.85)	43.55
Adjustments for:		
(Increase)/Decrease in Other current assets and Other financial assets (current and non-current)	676.06	(740.97)
(Increase)/decrease in Trade receivables	(102.85)	187.95
Increase in Inventories	(16.18)	-
Increase in Other financial liabilities, Provisions, Other current liabilities	103.90	-
Increase in Trade payables	308.50	-
	969.43	(553.02)
Cash generated from/(used in) operations	845.58	(509.47)
Income taxes paid (net of refund)	(181.55)	(185.82)
Net cash generated from/(used in) Operating Activities (A)	664.03	(695.30)
B. Cash Flow from Investing Activities		
Interest received	12.53	-
Investment in Mutual funds	(200.00)	-
Fixed deposits(placed)/matured with banks (with maturity more than 3 months)	(799.10)	-
Dividend income from equity investments designated at FVOCI	695.31	695.30
Net cash generated from / (used in) Investing Activities (B)	(291.26)	695.30
C. Cash Flow from Financing Activities		
Net cash generated from Financing Activities (C)	-	-
Net increase in cash and cash equivalents (A+B+C)	372.77	-
Cash and Cash Equivalents at the beginning of the year (refer note 5.3)	500.00	-
Cash and cash equivalents received pursuant to Demerger scheme	-	500.00
Cash and Cash Equivalents at the end of the year (refer note 5.3)	872.77	500.00

Notes:

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Ind AS - 7 "Statement of Cash Flows".
- Previous years figures have been regrouped/reclassified to conform to current year's presentation.

The accompanying notes 1 to 32 are an integral part of these standalone financial statements
As per our report of even date attached

For Vidya & Co.

Chartered Accountants
Firm's Registration No.: 308022E

Jitendra Nagar

Partner
Membership Number: 055659

Place : Kolkata
Date : 28 May 2024

For and on behalf of the Board of Directors of
Digidrive Distributors Limited
CIN : L51909WB2022PLC252287

Alok Kalani

Chairman
DIN: 03082801
Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata
Date : 28 May 2024

Kiran Bandekar

Managing Director
DIN: 10245133
Place : Kolkata

Kriti Jain

Company Secretary
M. No.ACS 62248

Place : Kolkata
Date : 28 May 2024

Standalone Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

A. Equity share capital

Description	Number of shares	Amount
As at 15 Mar 2022	1,00,000	1.00
Changes in equity share capital during period	-	-
Less: Share cancelled pursuant to the scheme of arrangement #	(1,00,000)	(1.00)
As at 31 March 2023	-	-
Transferred from equity share suspense account on listing @	3,85,61,898	3,856.19
As at 31 March 2024	3,84,61,898	3,855.19

Equity share suspense account

Description	Number of shares	Amount
As at 15 Mar 2022	-	-
Addition pursuant to the scheme of arrangement	3,85,61,898	3,856.19
As at 31 March 2023	3,85,61,898	3,856.19
Transferred to equity share capital account on listing @	(3,85,61,898)	(3,856.19)
As at 31 March 2024	-	-

During the period ended 31 March 2023, the Company issued shares amounting to Rs.1.00 lakhs (1,00,000 shares of Re.1 each) to the erstwhile holding company, Saregama India Limited. Subsequently these shares were cancelled pursuant to scheme of arrangement.

@ 3,85,61,898 Equity Shares of Rs. 10/- each amounting to Rs. 3,856.19 lakh was the proposed share capital of the Company post its restructuring effective from 1 April 2022. As at 31 March 2023, the Company was in the process of listing its shares with the recognized Stock Exchange of India and accordingly, the share capital stands unallotted and disclosed under "Equity Share Suspense Account". During the current year, shares of the Company got listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with effect from 10 January 2024 and accordingly shares lying under equity share suspense account stands transferred to equity share capital account.

B. Other equity

Particulars	Reserve and surplus		Item of Other Comprehensive Income (OCI)	Total
	Capital reserve	Retained earnings	Equity instruments through OCI	
Balance as at 15 March 2022	-	-	-	-
Add pursuant to scheme of Arrangement (Refer Note 25)	3,560.67	-	7,505.19	11,065.86
Profit for the year	-	570.62	-	570.62
Other comprehensive income for the year (net of tax)	-	-	(2,061.28)	(2,061.28)
Total comprehensive income for the year	3,560.67	570.62	5,443.91	9,575.19
Balance as at 31 March 2023	3,560.67	570.62	5,443.91	9,575.19

Particulars	Reserve and surplus		Item of Other Comprehensive Income (OCI)	Total
	Capital reserve	Retained earnings	Equity instruments through OCI	
Balance as at 01 April 2023	3,560.67	570.62	5,443.91	9,575.19
Add pursuant to scheme of Arrangement (Refer Note 25)	-	48.64	-	48.64
Profit for the year	-	434.22	-	434.22
Other comprehensive income for the year (net of tax)	-	-	8,561.27	8,561.27
Total comprehensive income for the year	-	482.86	8,561.27	9,044.13
Balance as at 31 March 2024	3,560.67	1,053.48	14,005.18	18,619.33

Standalone Statement of Changes in Equity

for the year ended 31 March 2024 (continued)

(Amount in Rupees lakhs, except otherwise stated)

The description, nature and purpose of each reserve within other equity are as follows:

- (i) **Capital Reserve:** Capital reserve represents amount transferred from the transferor company pursuant to the scheme of arrangement.
- (ii) **Retained earnings:** This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.
- (iii) **Equity instruments through OCI (FVOCI):** This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

The accompanying notes 1 to 32 are an integral part of these standalone financial statements
As per our report of even date attached

For Vidya & Co.

Chartered Accountants

Firm's Registration No.: 308022E

Jitendra Nagar

Partner

Membership Number: 055659

Place : Kolkata

Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata

Date : 28 May 2024

Kiran Bandekar

Managing Director

DIN: 10245133

Place : Kolkata

Kriti Jain

Company Secretary

M. No.ACS 62248

Place : Kolkata

Date : 28 May 2024

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024

Background

Digidrive Distributors Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India. Company is primarily engaged in E-Commerce distribution business of Music storage device viz. Carvaan and its variant. Equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The registered office of the Company is located in Kolkata, West Bengal, India.

The standalone financial statements were approved and authorised for issue with the resolution of the Board of Directors on 28th May 2024.

1 Significant accounting policies

The significant accounting policies applied by the Company in the preparation of its standalone financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone financial statements.

a Basis of preparation

(i) Compliance with Ind AS

These standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Basis of measurement

(a) Historical cost convention

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial instruments - Fair Value
- Non derivative financial instruments at FVTPL - Fair Value

(b) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The standalone financial statements are presented in Indian Rupee (Rs.), which is the Company's functional and presentation currency.

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of financial statement based on the nature of products / service and the time between the acquisition of assets for processing / providing the services 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.

Assets

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 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

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

- (a) it is expected to be settled in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

b Revenue Recognition

The Company has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Use of significant judgements in revenue recognition:

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

c Impairment of Non-financial Assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not

be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

d Inventories

Physical inventory (Carvaan): Inventories are valued at lower of cost and net realisable value. The cost is determined on a weighted average basis, and includes, where applicable, an appropriate share of overheads, the same is charged off on sale of goods. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods. Provision is made for obsolete / slow moving / defective stocks, where necessary.

e Investment in Subsidiaries

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investments in subsidiaries are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of investments exceeds its recoverable amount.

f Investments (other than investments in subsidiaries) and other financial instruments

(i) Classification

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

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

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity Instruments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of Financial Assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 21 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of Financial Assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

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

(v) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

(vi) Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(vii) Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(viii) Fair Value of Financial Instruments

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

g Offsetting Financial Instruments

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

h Trade Receivables

Trade receivables are amounts due from customers for goods sold or services rendered in the ordinary course of business. Trade receivables, shall be initially measured at their transaction price unless those contain a significant financing component determined.

i Cash and Cash Equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

j Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

k Employee Benefits

(i) Short-term Employee Benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within

12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

(ii) Other Long-term Employee Benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post-employment Benefits

Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

l Income Tax

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

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

m Provisions and Contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the

Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

n Earnings per Share

(i) Basic Earnings per Share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted Earnings per Share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares, if any.

o Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

p Recent accounting pronouncements- Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2 Critical Estimates and Judgements

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these standalone financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

- Impairment of Trade Receivables — Notes 1(f)(iii) and 21

Impairment of trade receivables is primarily estimated based on prior experience with and the past due status of receivables, based on factors that include ability to pay

and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- Contingencies - Note 1(m) and Note 30

Legal proceedings covering a range of matters are pending against the Group. Due to the uncertainty inherent in such matters, it is often difficult to predict the final outcome. The cases and claims against the Group often raise factual and legal issues that are subject to uncertainties and complexities, including the facts and circumstances of each particular case/claim, the jurisdiction and the differences in applicable law. The Group consults with legal counsel and other experts on matters related to specific litigations were considered necessary. The Group accrues a liability when it is determined that an adverse outcome is probable, and the amount of the loss can be reasonably estimated. In the event an adverse outcome is possible, or an estimate is not determinable, the matter is disclosed.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Financial assets (non-current)

3 Investments

Particulars	Face value of each unit as at 31 March 2024	Face value of each unit as at 31 March 2023	Number of shares as at 31 March 2024	Number of shares as at 31 March 2023	As at 31 March 2024	As at 31 March 2023
a) Open Media Network Private Limited	Rs.10	Rs.10	7,08,27,000	7,08,27,000	7,058.67	7,058.67
Less: Provision for impairment in the value of investment					(7,058.67)	(7,058.67)
					-	-
Investments carried at fair value through other comprehensive income						
a) Quoted - fully paid equity shares in other companies						
CESC Limited	Re.1	Re.1	1,54,49,880	1,54,49,880	18,794.78	10,297.35
PCBL Limited	Re.1	Rs.2	1,000	500	2.68	0.58
Harrisons Malayalam Limited	Rs.10	Rs.10	100	100	0.16	0.11
CFL Capital Financial Services Limited	Rs.10	Rs.10	100	100	0.02	0.02
STEL Holdings Limited	Rs.10	Rs.10	100	100	0.32	0.14
RPSG Ventures Limited	Rs.10	Rs.10	3,08,997	3,08,997	1,923.97	1,127.53
Spencers Retail Limited	Rs.5	Rs.5	10,50,590	10,50,590	959.19	544.21
b) Unquoted - Fully Paid Equity Shares in Other Companies						
Spencer and Company Limited	Rs.9	Rs.9	200	200	1.38	1.08
Woodlands Multispeciality Hospital Limited	Rs.10	Rs.10	2,250	2,250	17.83	12.59
Timbre Media Private Limited	Rs.10	Rs.10	2,30,000	2,30,000	192.19	222.20
Total investments					21,892.52	12,205.81
Aggregate value of unquoted investments					7,270.07	7,294.54
Aggregate carrying value of quoted investments and market value thereof					21,681.12	11,969.94
Aggregate provision for impairment in the value of investments					7,058.67	7,058.67

Equity shares designated at fair value through other comprehensive income (FVOCI)

Particulars	Fair value as at 31 March 2024	Dividend income recognised during 2023-24	Fair value as at 31 March 2023	Dividend income recognised during 2022-23
Investment in CESC Limited	18,794.78	695.24	10,297.35	695.24
Investment in PCBL Limited	2.68	0.06	0.58	0.06
Investment in Harrisons Malayalam Limited	0.16	-	0.11	-
Investment in CFL Capital Financial Services Limited	0.02	-	0.02	-
Investment in STEL Holdings Limited	0.32	-	0.14	-
Investment in RPSG Ventures Limited	1,923.97	-	1,127.53	-
Investment in Spencers Retail Limited	959.19	-	544.21	-
Investment in Spencer and Company Limited	1.38	-	1.08	-
Investment in Woodlands Multispeciality Hospital Limited	17.83	-	12.59	-
Investment in Timbre Media Private Limited	192.19	-	222.20	-
Total	21,892.52	695.30	12,205.81	695.30

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

4 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Carvaan	431.84	415.66
Total inventories	431.84	415.66

5.1 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments carried at fair value through profit and loss		
Units of Mutual funds (quoted)	201.51	-
Total investments	201.51	-
Aggregate carrying value of quoted investments and market value thereof	201.51	-

5.2 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Unsecured, considered good	328.08	225.23
Credit impaired	-	-
Less: Allowance for expected credit loss	-	-
Total trade receivables	328.08	225.23

Particulars	Outstanding from due date of payment as at 31 March 2024						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	302.85	25.23	-	-	-	-	328.08
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	302.85	25.23	-	-	-	-	328.08
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Total							328.08

Particulars	Outstanding from due date of payment as at 31 March 2023						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	84.24	140.99	-	-	-	-	225.23
(ii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
	84.24	140.99	-	-	-	-	225.23
Less: Allowance for expected credit loss	-	-	-	-	-	-	-
Total							225.23

Notes:

- (a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

5.2 Trade receivables (Contd..)

- (b) Information about the Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 21.
- (c) For balances of trade receivables owing from related parties (Refer note 23).

5.3 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
Current Accounts	197.33	500.00
Deposits with maturity of less than 3 months	675.44	-
Cash on hand	-	-
Total cash and cash equivalents	872.77	500.00

5.4 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits (with remaining maturity greater than 3 months but less than 12 months)	599.33	-
Total other bank balances	599.33	-

5.5 Other financial assets (Non-Current)

(Unsecured, considered good, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Bank Deposits with remaining maturity more than 12 months	214.41	-
Total other current assets	214.41	-

5.6 Other financial assets (Current)

(Unsecured, considered good, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Balance receivable pursuant to scheme of demerger (Refer Note 25)	-	740.97
Total other current assets	-	740.97

6 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax	18.15	17.59
Total current tax assets (net)	18.15	17.59

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

7 Other Current Assets

(Unsecured, considered good unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	92.63	74.82
Prepaid expenses	2.02	-
Other advances	45.08	-
Total other current assets	139.73	74.82

8 Equity share capital and other equity

8.1 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Ordinary Share of Rs.10/- each (Previous year Rs.10/- each)	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Issued				
Ordinary Shares of Rs.10/- each (Previous year Rs.10/- each)	3,85,61,898	3,856.19	-	-
Subscribed and fully paid up				
Ordinary Shares of Rs.10/- each (Previous year Rs.10/- each)	3,85,61,898	3,856.19	-	-

Reconciliation of number of ordinary shares outstanding

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the year	-	-	-	-
Add: Transferred from equity share suspense account on listing @	3,85,61,898	3,856.19	-	-
As at the end of the year	3,85,61,898	3,856.19	-	-

Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs.10/- per share (previous year Rs.10/- per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

Shares held by holding company

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	Amount	Number of shares held	Amount
Composure Services Private Limited	2,08,37,438	2,083.74	-	-

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

8.1 Equity share capital (Contd..)

Details of shares held by each shareholders holding more than 5 % of the aggregate shares in the Company

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	2,08,37,438	54.04%	-	-

Disclosure of shareholding of promoters

Name of the Shareholder	As at 31 March 2024			As at 31 March 2023		
	Number of shares held	Holding percentage	% change during the year	Number of shares held	Holding percentage	% change during the year
Composure Services Private Limited	2,08,37,428	54.04%	100.00%	-	-	-
STEL Holdings Limited	320	0.00%	100.00%	-	-	-
Quest Capital Markets Limited	18,48,440	4.79%	100.00%	-	-	-
Total	2,26,86,188	58.83%	100.00%	-	-	-

8.2 Equity share suspense account

Particulars	As at 31 March 2023	
	Number of shares	Amount
As at 15 March 2022	10,000	1.00
Add: Addition pursuant to the scheme of arrangement (Refer Note 25)	3,85,61,898	3,856.19
Less: Shares cancelled pursuant to the scheme of arrangement	(10,000)	(1.00)
As at 31 March 2023 @	3,85,61,898	3,856.19

@ 3,85,61,898 Equity Shares of Rs. 10/- each amounting to Rs.3856.19 lakh was the proposed share capital of the Company post its restructuring effective from 1 April 2022. As at 31 March 2023, the Company was in the process of listing its shares with the recognized Stock Exchange of India and accordingly, the share capital stands unallotted and disclosed under "Equity Share Suspense Account". During the current year, shares of the Company got listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with effect from 10 January 2024 and accordingly shares lying under equity share suspense account stands transferred to equity share capital account.

8.3 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Capital reserve	3,560.67	3,560.67
Retained earnings	1,053.48	570.62
Equity Instrument through OCI	14,005.18	5,443.91
Total other equity	18,619.33	9,575.19

(i) **Capital reserve:** Capital reserve represents amount transferred from the transferor company pursuant to the scheme of arrangement.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	3,560.67	-
Add pursuant to scheme of Arrangement (Refer Note 25)	-	3,560.67
Balance at the end of the year	3,560.67	3,560.67

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

8.3 Other equity (Contd..)

- (ii) **Retained earnings:** This reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	570.62	-
Transferred pursuant to scheme of arrangement (Refer Note 25)	48.64	-
Net profit for the year	434.22	570.62
Balance at the end of the year	1,053.48	570.62

- (iii) **Equity instruments through OCI (FVOCI):** This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

Particulars	As at 31 March 2024	As at 31 March 2023
FVOCI equity instruments		
Balance at the beginning of the year	5,443.91	-
Add pursuant to scheme of Arrangement (Refer Note 25)	-	7,505.19
Changes in fair value of FVOCI equity instruments during the year	9,686.72	(2,322.46)
Deferred tax on above	1,125.45	(261.18)
Balance at the end of the year	14,005.18	5,443.91

9 Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	Balance as at 1 April 2023	Transfer pursuant to scheme of demerger (Refer Note 25)	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	As at 31 March 2024
Deferred tax liability						
Fair value changes on financial assets-equity instruments/ mutual fund	748.70	-	0.38	1,125.45	-	1,874.53
Total deferred tax liability	748.70	-	0.38	1,125.45	-	1,874.53
Deferred tax asset						
Expenditure allowable for tax purpose in subsequent years	-	-	15.47	-	-	15.47
Total deferred tax asset	-	-	15.47	-	-	15.47
Net deferred tax liability	748.70	-	-15.09	1,125.45	-	1,859.06

The balance comprises temporary differences attributable to:

Particulars	Balance as at 1 April 2022	Transfer pursuant to scheme of demerger (Refer Note 25)	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2023
Deferred tax liability						
Fair value changes on financial assets-equity instruments/ mutual fund	-	1,009.88	-	(261.18)	-	748.70
Total deferred tax liability	-	1,009.88	-	-261.18	-	748.70

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

9 Deferred tax liabilities (net) (Contd..)

Particulars	Balance as at 1 April 2022	Transfer pursuant to scheme of demerger (Refer Note 25)	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2023
Deferred tax asset	-	-	-	-	-	-
Total deferred tax asset	-	-	-	-	-	-
Net deferred tax liability	-	1,009.88	-	-261.18	-	748.70

10 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables	-	-
a) Total outstanding dues of micro enterprises and small enterprises *	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	308.50	-
Total trade payables	308.50	-

* The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. Basis the information available, Company has not entered into any transaction with MSME during the year ended 31 March 2024 and 31 March 2023 and accordingly the disclosures relating to Micro and Small Enterprises is not given.

Outstanding for following periods from due date of payment as at 31 March 2024

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	308.50	-	-	-	-	308.50

Outstanding for following periods from due date of payment as at 31 March 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

11 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Liabilities for expenses	43.67	-
Employee benefits payable	3.38	-
Total other financial liabilities	47.05	-

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

12 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Amount payable to government authorities	6.42	-
Total other current liabilities	6.42	-

13 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Employee benefit obligations		
Leave encashment obligations	0.67	-
Gratuity	1.12	-
Total short term employee benefit obligation	1.79	-

14 Revenue from operations

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Sale of products	3,190.09	2,821.90
Total revenue from operations	3,190.09	2,821.90

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geography market, major products and timing of revenue recognition. The Company believes that this disaggregation best depicts how the nature, amount, timing of our revenues and cash flows are affected by geography and other economic factors:

Particulars	Sale of Products	
	Year ended 31 March 2024	Period ended 31 March 2023
Revenue by Geography		
Domestic	3,190.09	2,821.90
International	-	-
	3,190.09	2,821.90
Timing of Revenue Recognition		
Products and services transferred at a point in time	3,190.09	2,821.90
Products and services transferred over time	-	-
Total Revenue from Contracts with customers	3,190.09	2,821.90

Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

Particulars	As at 31 March 2024	As at 31 March 2023
Receivables, which are included in 'trade receivables' (Refer Note 5.2)	328.08	225.23

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

14 Revenue from operations (Contd..)

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Performance obligation

The following table provides information about the nature and timing of performance obligation in contracts with customers, including significant payment terms and related revenue recognition policies

Type of product	Nature and timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition under Ind AS 115
Physical products	In case of sales of products, customer obtain control of the products when the goods are delivered at customer's premise or when the product is dispatched/shipped depending on the terms of contract.	Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

15 Other income

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Dividend income from equity investments designated at FVOCI*	695.30	695.30
Interest income (gross)		
- on Bank Deposits	18.89	-
- on Income tax refund	8.26	-
Gain on sale/fair valuation of current investments (net)	1.52	-
Total other income	723.97	695.30

*All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period

16 Operational cost

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Opening Inventory	415.66	-
Add: Pursuant to the scheme of arrangement (Refer Note 25)	-	415.66
Add: Purchase of Inventory	3,123.87	2,751.35
Less: Closing Inventory	431.84	415.66
Total operational cost	3,107.69	2,751.35

17 Employee benefits expense

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Salaries, wages and bonus	29.67	-
Contributions to funds	1.19	-
Total employee benefits expense	30.86	-

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

18 Other expenses

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Rent	3.25	-
Rates and taxes	0.79	-
Insurance	2.10	-
Advertisement and marketing expenses	6.75	27.00
Printing, stationery & communication expenses	0.75	-
Legal and consultancy expenses	57.31	-
Listing and secretarial fees	66.77	-
Payment to auditors (Refer Note 27)	4.28	-
Miscellaneous expense	33.39	-
Total other expense	175.39	27.00

Note: The company does not meet the criteria outlined in section 135(1) of the Companies Act, 2013, along with the Companies (CSR Policy) Rules, 2014, for the immediately preceding financial year. Therefore, the obligation to comply with CSR provisions does not apply.

19 Tax expenses

A. Tax expense recognised in the Statement of Profit and Loss

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Current tax		
Current tax on profits for the year	180.99	168.23
Total current tax	180.99	168.23
Deferred tax		
Increase in deferred tax assets	(15.47)	-
Increase in deferred tax liabilities	0.38	-
Total deferred tax	(15.09)	-
Total tax expense	165.90	168.23

B. Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
The tax charge arising on income and expenses recognised in other comprehensive income are as follows:		
Deferred tax		
On items that will not be reclassified to profit or loss		
Changes in fair value of equity instruments designated at FVOCI	1,125.45	(261.18)
Total amount recognised in other comprehensive income	1,125.45	(261.18)

C. Reconciliation of tax expense

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Profit before tax	600.12	738.85
Income tax expense calculated @ 25.17% (31 March 2023 - 25.17%)	151.05	185.97

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

19 Tax expenses (Contd..)

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible for tax purposes	29.96	-
Other items	(15.11)	(17.74)
Tax expense	165.90	168.23

The tax rate used in the above reconciliation for the year 2023-24 and 2022-23 is the tax rate of 25.17% (22% + surcharge @ 10% and education cess @ 4%) payable on taxable profits under the Income Tax Act, 1961.

20 Fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, cash and cash equivalents, other bank balances, trade payables and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. The fair values of unquoted equity instruments were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has classified certain financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year ended 31 March 2024.

Particulars	Fair Value Hierarchy Level	As at 31 March 2024	As at 31 March 2023
Financial assets			
Measured at fair value through OCI			
Investments			
Equity instruments (quoted)	1	21,681.12	11,969.94
Equity instruments (un-quoted)	3	211.40	235.87
		21,892.51	12,205.81

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

20 Fair value measurements (Contd..)

Since, some of the Company's financial assets as mentioned in above table are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity	Sensitivity
			31 March 2024	31 March 2023
Unquoted Equity Instruments	Discounted cash flow	Earning growth rate/ Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.992.81 Lakhs.	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by Rs.223.67 Lakhs.
			Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs.124.38 Lakhs.	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by Rs.48.76 Lakhs.

Level 3 fair values - Movement in the values of unquoted equity instruments

The following table shows a reconciliation from the opening balance to the closing balance for Level 3 fair values:

Particulars	FVOCI Equity Instruments
Balance at 1 April 2022	155.42
Gain / (loss) included in OCI	
- Net change in fair value (unrealised)	80.45
Balance at 31 March 2023	235.87
Transfer pursuant to scheme of arrangement (Refer Note 25)	235.87
Gain / (loss) included on OCI	
- Net change in fair value (unrealised)	(24.47)
Balance at 31 March 2024	211.40

(ii) Financial instruments by category

Particulars	Note No	As at 31 March 2024 Carrying Amount / Fair Value	As at 31 March 2023 Carrying Amount / Fair Value
A. Financial assets			
(a) Measured at fair value through OCI			
Investments			
Equity instruments	3	21,892.52	12,205.81
Sub total		21,892.52	12,205.81
(b) Measured at fair value through profit and loss			
Investments			
Units of Mutual funds (quoted)	5.1	201.51	-
Sub total		201.51	-
(c) Measured at amortised cost			
Trade receivables	5.2	328.08	225.23
Cash and cash equivalents	5.3	872.77	500.00
Bank balances other than cash and cash equivalents	5.4	599.33	-
Other financial assets	5.5,5.6	214.41	740.97
Sub total		2,014.58	1,466.20
Total financial assets		24,108.62	13,672.00

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

20 Fair value measurements (Contd..)

Particulars	Note No	As at 31 March 2024 Carrying Amount / Fair Value	As at 31 March 2023 Carrying Amount / Fair Value
B. Financial liabilities			
Measured at amortised cost			
Trade payables	10	308.50	-
Other financial liabilities	11	47.05	-
Total financial liabilities		355.55	-

21 Financial risk management

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables) and from its investing activities (primarily Deposits with Banks).

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed subject to the Company's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. The Company's customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with business-specific credit policies. The Company's exposure to trade receivables on the reporting date, net of expected loss provisions, if any, stood at Rs.328.08 Lakhs as on 31 March 2024 (31st March 2023- Rs.225.23 Lakhs)

All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors and the Company's historical experience with customers.

Other financial assets

Credit risk from balances with banks, term deposits and investments are managed by Company's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Company monitors ratings, credit spreads and financial strength of its counterparties. As these counter parties are Government institutions, public sector undertakings with investment grade credit ratings and taking into account the experience of the Company over time, the counter party risk attached to such assets is considered to be insignificant.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March 2024 is the carrying amounts as disclosed in Note 3, 5.1, 5.2, 5.3, 5.4, 5.5 and 5.6.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

21 Financial risk management (Contd..)

(B) Liquidity risk

Liquidity risk refers to the risk that the Company fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis (all payable within 12 months), which therefore does not differ from their carrying value as the impact of discounting is not significant.

Non-derivative financial liabilities*	As at 31 March 2024	As at 31 March 2023
(i) Trade payables (Refer Note 10)	308.50	-
(ii) Other financial liabilities (Refer Note 11)	47.05	-
	355.55	-

* The ageing of above non-derivative financial liabilities is less than one year.

The Company does not have Derivative financial liabilities as at the end of above-mentioned reporting periods.

(C) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency, therefore there is no exposure to foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings.

The exposure of the Company's financial assets and financial liabilities to interest rate risk is as follows:

Particulars	31 March 2024		31 March 2023	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets (Refer Note 5.3, 5.4 and 5.5)	-	1,489.17	-	-
Financial liabilities	-	-	-	-
	-	1,489.17	-	-

Increase/ decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in increase/decrease of Rs.Nil (31 March 2023 - Rs.Nil) in interest expense on financial liabilities with floating interest rate and corresponding impact on profit before tax for the year ended 31 March 2024.

The Company invests its surplus funds in fixed deposits and mutual funds. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

21 Financial risk management (Contd..)

(iii) Securities price risk

The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that will fluctuate due to changes in market traded prices, which may impact the return and value of such investments. The value of investments in such mutual fund schemes as at 31 March 2024 is Rs. 201.51 Lakhs (31 March 2023 - Rs. Nil Lakhs). Accordingly, fair value fluctuations arising from market volatility are recognised in Statement of profit and loss.

22 Capital management

(a) Risk management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company does not have any debt, hence the Debt-to-Equity ratio is Nil as on 31 March 2024 and as on 31 March 2023 respectively.

No changes were made to the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

23 Related Party Disclosures

Where control exists

a) Parent entity

Name	Type	Place of incorporation	Ownership interest	
			As at 31 March 2024	As at 31 March 2023
Composure Services Private Limited (CSPL)	Holding Company	India	54.04%	-

b) Subsidiaries

The Company has following subsidiaries and fellow subsidiary companies:-

Name	Type	Place of incorporation	As at 31 March 2024	As at 31 March 2023
Open Media Network Private Limited (OMNPL)	Wholly Owned Subsidiary Company	India	100.00%	100.00%
Saregama India Limited (SIL)	Fellow Subsidiary Company w.e.f. 01 April 2022	India	-	-

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

23 Related Party Disclosures (Contd..)

c) Key management personnel (KMP) of the Company and Holding Company

Name of the Related Party	Relationship
Mr.Alok Kalani	Non-Executive Director w.e.f 15 March 2022
Mr.Gopal Rath	Non-Executive Director w.e.f 15 March 2022
Mr.Santanu Bhattacharya	Non-Executive Independent Director w.e.f 18 July 2023
Mr.Vinod Kumar	Non-Executive Independent Director w.e.f 26 July 2023
Ms.Iram Hassan	Non-Executive Woman Independent Director w.e.f 18 July 2023
Mr. Sunil Sanganeria	Non-Executive Director upto 10 August 2023
Mr.Kiran Bandekar	Managing Director w.e.f. 18 July 2023
Mr.Asish Kumar Ray	Chief Financial Officer w.e.f. 18 July 2023
Ms.Kriti Jain	Company Secretary w.e.f. 18 July 2023
Mr.Rajendra Dey	Director of Holding Company
Mr.Akhilanand Joshi	Director of Holding Company

Transactions with related party

Sl. No	Particulars	Year ended 31st March 2024	Period ended 31st March 2023
I	Fellow subsidiary - SIL		
	Purchases of stock in trade	3,123.87	-
	Rental expense	2.72	-
II	Remuneration to Key management personnel		
	Mr.Kiran Bandekar	6.28	-
	Mr.Asish Kumar Ray	6.69	-
	Ms.Kriti Jain	4.04	-
III	Sitting fees paid to Key management personnel		
	Mr.Alok Kalani	0.30	-
	Mr.Gopal Rath	0.25	-
	Mr.Santanu Bhattacharya	0.35	-
	Ms.Iram Hassan	0.40	-

Key management personnel compensation

Particulars	Year ended 31st March 2024	Period ended 31st March 2023
Short-term employee benefits	16.16	-
Post employment benefits	0.45	-
Other long-term benefits	0.40	-

Balance outstanding at the year end

Particulars	As at 31st March 2024	As at 31st March 2023
Fellow subsidiary - SIL		
Payable pursuant to the scheme of arrangement #	-	740.97
Trade Payable	297.45	-

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

23 Related Party Disclosures (Contd..)

Pursuant to Scheme of Arrangement

As per the Scheme of Arrangement, Saregama India Limited (Erstwhile holding company/Demerged Company) has continued to manage the operations of demerged units, hence the inter se transactions between the demerged and resultant companies pertaining to the operation of units, including interse transfer of goods, assets, employees, funds, reimbursement of expenses etc have not been reported here on above. A sum of Rs.740.97 lakhs is recoverable as at 31 March 23 from Saregama India Limited on account of money held in trust by them for managing the operations of demerged undertaking which is shown under Other financial assets.

Terms and conditions of transactions with related parties:

Sales to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other customers. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

24 Additional Regulatory informations'

(i) Title Deeds of Immovable Property not held in the name of the Company

The Company does not hold any immovable property in the current financial year and therefore the disclosure requirement w.r.t the Title Deeds of Immovable Property held in the name of the Company are not applicable to the company in terms of Para 6(L)(i) of Part I of Schedule-III of the Act,

(ii) The Fair Valuation of Investment Property is based on the valuation by a Registered Valuer

The Company does not hold any Investment property and therefore the disclosure requirement w.r.t the Fair Value is based on the valuation by a Registered Valuer is not applicable to the company in terms of Para 6(L)(ii) of Part I of Schedule-III of the Act

(iii) The Revaluation of Property, Plant and Equipment (including Right-of-Use Assets) is based on the valuation by a Registered Valuer

The Company does not hold Property, Plant and Equipment and therefore the disclosure requirement w.r.t the revaluation is based on the valuation by a Registered Valuer is not applicable to the company in terms of Para 6(L)(iii) of Part I of Schedule-III of the Act

(iv) The Revaluation of Intangible Assets is based on the valuation by a Registered Valuer

The Company does not hold Intangible Assets and therefore the disclosure requirement w.r.t the Revaluation is based on the valuation by a Registered Valuer is not applicable to the company in terms of Para 6(L)(iv) of Part I of Schedule-III of the Act

(v) Loans or Advances granted to Promoters, Directors, KMPs and the related parties

The Company has not granted loan to Promoters, Directors, KMPs and the related parties during the year under audit, therefore the disclosure requirement w.r.t Loans or Advances granted to Promoters, Directors, KMPs and the related parties in terms of Para 6(L)(v) of Part I of Schedule-III of the Act is not applicable to the Company.

(vi) Capital Work-In-Progress

There is no Capital Work-in-Progress(C-WIP) during the current financial year and therefore the disclosure requirement w.r.t Capital Work-In-Progress are not applicable to the company in terms of Para 6(L)(iv) of Part I of Schedule-III of the Act

(vii) Intangible Asset Under Development

There is no Intangible Asset Under Development during the current financial year and therefore the disclosure requirement w.r.t Intangible Asset Under Development are not applicable to the company in terms of Para 6(L)(vii) of Part I of Schedule-III of the Act

(viii) Details of Benami Property held:

Neither any proceedings have been initiated nor any proceedings are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and the Rules made thereunder.

In view of this, the disclosure requirement in terms of Para 6(L)(viii) of Part I of Schedule-III of the Act are not applicable to the Company.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

24 Additional Regulatory informations' (Contd..)

(ix) Quarterly Returns or Statements of Current Assets and reconciliation thereof

The Company has not borrowed any money either from banks or financial institutions on the basis of security of current assets and therefore disclosure requirement as to Quarterly Returns or statements of current assets and reconciliation thereof in terms of Para 6(L)(ix)(a) of Part I of Schedule-III of the Act are not applicable to the Company.

(x) Willful Defaulter

The Company has not been declared as Willful Defaulter by any Bank or Financial Institutions or other lender and therefore, the disclosure requirement w.r.t Willful Defaulter in terms of Para 6(L)(x) of Part I of Schedule-III of the Act are not applicable to the company.

(xi) Relationship with Struck Off Companies

The Company has not entered into transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 and therefore disclosure requirement w.r.t Relationship with Struck Off Companies in terms of Para 6(L)(xi) of Part I of Schedule-III of the Act is not applicable to the Company.

(xii) Registration of charges or satisfaction with Registrar of Companies

The Company never borrowed any money from any lenders and therefore neither the registration of charges nor the satisfaction of charges were required with Registrar Of Companies and hence disclosure requirement as to Registration of Charges or Satisfaction with Registrar of Companies in terms of Para 6(L)(xii) of Part I of Schedule-III of the Act is not applicable to the Company.

(xiii) Compliance with Number of Layers of Companies

No investment has been made in any company, thus the disclosure requirement w.r.t Compliance with number of layers of Companies in terms of Para 6(L)(xiii) of Part I of Schedule-III of the Act is not applicable to the Company.

(xv) Compliance with Approved Scheme(s) of Arrangements

During the year, no Scheme of Arrangements have been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 and therefore, the disclosure requirement w.r.t Compliance with Approved Scheme(s) of Arrangements in terms of Para 6(L)(xv) of Part I of Schedule-III of the Act is not applicable to the Company.

(xvi) Utilization of Borrowed Funds and Share Premium

- A. During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including Foreign Entities (Intermediate) and therefore, disclosure requirement as to Utilization of Borrowed Funds and Share Premium in terms of Para 6(L)(xvi)(A) of Part I of Schedule-III of the Act are not applicable to the Company.
- B. During the year, the Company has not received funds from any person(s) or entity(ies), including Foreign Entities (Funding Party) and therefore, disclosure requirement as to Utilization of Borrowed Funds and Share Premium in terms of Para 6(L)(xvi)(B) of Part I of Schedule-III of the Act are not applicable to the Company.

(xvii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961). Hence, reporting in terms of Para 7(l) of Part II of Schedule-III - Division II of the Act is not applicable to the Company.

(xviii) The company is not covered under section 135 of the Companies Act, 2013. Hence, reporting in terms of Para 7(m) of Part II of Schedule-III of the Act is not applicable to the Company.

(xix) The company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year. Hence, reporting in terms of Para 7(n) of Part II of Schedule-III of the Act is not applicable to the Company.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

25 Scheme of Arrangement

Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Kolkata Bench vide Order dated 22 June 2023 ("Order"), with effect from the Appointed Date i.e., 1 April 2022, the E-commerce Distribution Business along with identified non-core assets ('the demerged undertaking') of the Saregama India Limited ("Demerged Company") including investment in wholly owned subsidiary - Open Media Network Private Limited engaged in publication business, stands transferred into the "Digidrive Distributors Limited" ('the Resulting Company').

On receipt of the order dated 26 June 2023 from NCLT sanctioning the Scheme and upon filing the same with Registrar of Companies, Kolkata on 12 July 2023 the Scheme has become effective. Accordingly, the Company has given effect to the Scheme in the financial statements for the year ended 31 March 2023 and has accounted the same as per the pulling of interest method.

Pursuant to the above Order, the Company has recognised the effect of demerger and the difference of Rs.3,560.66 Lakhs i.e. excess of the value of transferred assets over the transferred liabilities pertaining to the demerged undertaking pursuant to the Scheme of Rs.7416.85 Lakhs adjusted with equity share capital issued of Rs.3856.19 Lakhs has been credited to the Capital Reserve.

26 Basic and diluted earnings per share:

Particulars	Year ended 31st March 2024	Period ended 31st March 2023
Number of equity shares at the beginning of the year	3,85,61,898	1,00,000
Number of equity shares at the end of the year	3,85,61,898	3,85,61,898
Weighted average number of equity shares outstanding during the year	3,85,61,898	3,68,50,243
Weighted average number of equity shares for computing basic and diluted earnings per share (A)	3,85,61,898	3,68,50,243
Nominal value of each equity share (Rs.)	10	10
Profit after tax available for equity shareholders (Rs.in Lakhs) [B]	434.22	570.62
Basic and Diluted earnings per share (Rs.) [B/A]	1.13	1.55

27 Amount paid / payable to auditors:

Particulars	Year ended 31st March 2024	Period ended 31st March 2023
As Auditors -		
- Audit fees for Financial Statements	3.03	-
- Limited reviews	1.25	-
Total	4.28	-

28 Ratios:

The following are analytical ratios for the year ended 31 March 2024 and 31 March 2023:

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Remarks
Current ratio (in times)	Current assets	Current liabilities	7.12	-	-	Refer Note I below
Debt-equity ratio (in times)	Total debt	Total equity	-	-	-	Refer Note II below
Debt service coverage ratio (in times)	Earnings available for debt service	Debt service	-	-	-	Refer Note II below
Return on Equity (in%)	Profit for the year	Average total equity	2.41%	4.25%	-43.33%	Refer Note III below
Inventory turnover ratio (in times)	Operational cost	Average inventories	7.33	6.62	10.80%	

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

28 Ratios: (Contd..)

Particulars	Numerator	Denominator	31 March 2024	31 March 2023	Variance	Remarks
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	11.53	12.53	-7.97%	
Trade payables turnover ratio (in times)	Purchases of goods, services and other expenses	Average trade payables	21.38	-	100.00%	Refer Note IV below
Net capital turnover ratio (in times)	Revenue from operations	Working capital ⁽¹⁾	1.43	1.43	-	
Net profit ratio (in %)	Profit for the year	Revenue from operations	13.61%	20.22%	-32.69%	Refer Note III below
Return on capital employed (in %)	Earnings before interest and taxes ⁽²⁾	Capital employed ⁽³⁾	2.47%	5.21%	-52.60%	Refer Note V below
Return on investment (in %)	Income generated from quoted non-current investments	Time weighted average investments	54.29%	-11.29%	-580.87%	Refer Note VI below

⁽¹⁾Current assets - Current liabilities

⁽²⁾Profit for the year + Tax Expense + Finance costs

⁽³⁾Net worth + deferred tax liabilities

Note

- I Current liabilities as on 31 March 2023 was Nil, hence current ratio cannot be calculated
- II Company is debt-free and accordingly debt-equity ratio and debt service coverage ratio for 31 March 2024 and 31 March 2023 has not been calculated.
- III Decrease is on account of lower profit generated during the year ended 31 March 2024
- IV Trade Payable as on 31 March 2023 was Rs. Nil.
- V Decrease is on account of lower profit generated during the year ended 31 March 2024 coupled with increase in deferred tax liability arising on Other Comprehensive income for the year ended 31 March 2024.
- VI Based on mark to market valuation of Investments.

Notes Forming part of the Standalone Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

29 Commitments

Estimated amount of contract remaining to be executed on Capital account and not provided for [net of advances of Rs. Nil (31 March 2023 - Rs. Nil) as at 31 March 2024 are estimated at Rs. Nil (31 March 2023 - Rs. Nil).

30 Contingent liabilities

Contingent liabilities of the company is Rs. Nil as at 31 March 2024 (31 March 2023 - Rs. Nil).

31 Disclosure of investments made in related parties required under section 186(4) of the Companies Act, 2013:

- (a) The Company has invested in equity of Rs.Nil (2022-23 Rs.Nil) during the year in its subsidiary, Open Media Network private limited for its principal business activities.

32 Previous year's figures have been regrouped or re-arranged, where considered necessary.

The accompanying notes 1 to 32 are an integral part of these standalone financial statements

As per our report of even date attached

For Vidya & Co.

Chartered Accountants

Firm's Registration No.: 308022E

Jitendra Nagar

Partner

Membership Number: 055659

Place : Kolkata

Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata

Date : 28 May 2024

Kiran Bandekar

Managing Director

DIN: 10245133

Place : Kolkata

Kriti Jain

Company Secretary

M. No.ACS 62248

Place : Kolkata

Date : 28 May 2024

Independent Auditor's Report

Independent Auditor's Report

To the Members of Digidrive Distributors Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Digidrive Distributors Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiary as were audited by the other auditors, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone

financial statements of the current year. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/audit reports of other auditors, 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.

Managements and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss, and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Company included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated

financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the Company included in the Group is responsible for overseeing the financial reporting process of the Company.

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

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

- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting in the preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 consolidated 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 earlier auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, other auditors remain responsible for the direction, supervision, and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- a. The consolidated annual financial results include the audited financial results of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 422.23 lakhs as at 31 March 2024, total revenue (before consolidation adjustments) of ₹ 1,572.43 lakhs and total net loss after tax (before consolidation adjustments) of ₹ 28.75 lakhs and net cash inflows (before consolidation adjustments) of ₹ 65.54 lakhs for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The independent auditor's reports on the financial statements of these entities have been furnished to us by the management.

Our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the reports of such auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we report on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the company included in the consolidated financial statements.

2. A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiary as were audited by other auditors, as noted in the "Other Matters" paragraph we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

- b. In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

- c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity, and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. In our opinion, the aforesaid consolidated financial statements, comply with the Ind AS specified under Section 133 of the Act.

- e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group Company's disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

- f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(A)(b) above.

- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the "other matter" paragraph.

- a. The Group does not have any pending litigation which can have an impact on the consolidated financial position of the Group.
- b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the period ended 31 March 2024.

- c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the period ended 31 March 2024. There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India during the period ended 31 March 2024.

- d (i) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (ii) The management has represented that, to the best of its knowledge and belief that no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The Holding Company as well subsidiary Company have neither declared nor paid any dividend

during the year until the date of this audit report is in accordance with Section 123 of the Act.

- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, and as communicated by the auditor of one subsidiary company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiary has used software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:

- (i) In case of Holding Company, with respect to the accounting software, the feature of recording audit trail (edit log) facility was not available at the application layer and at the database level to log any direct data changes.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year, we did not come across any instance of the audit trail feature being tampered with.

- C. Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company which was not audited by us, the remuneration paid or payable during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid or payable to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **Vidya & Co.**

Firm Registration no.: 308022E

Chartered Accountants

(Jitendra Nagar)

Partner

Membership No: 055659

UDIN-24055659BKGZYJ2833

Kolkata, the 28th day of May 2024

Annexure A to the Independent Auditor's Report on the consolidated financial statements of Digidrive Distributors Limited for the period ended 31 March 2024.

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of Digidrive Distributors Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to restated financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary company, as of that date.

In our opinion the Holding Company and its subsidiary company, have, in all material respects, adequate internal financial controls with reference to revised financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to revised financial statements criteria established by such companies considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective 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 revised financial statements criteria established by the respective 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 the respective 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 internal financial controls with reference to revised 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 revised 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 revised 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 revised financial statements and their operating effectiveness. Our audit of internal financial controls with reference to revised financial statements included obtaining an understanding of internal financial controls with reference to revised 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to revised financial statements.

Meaning of Internal Financial Controls with Reference to the Financial Statements

Holding 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 consolidated financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to revised 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 consolidated 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 consolidated financial statements.

Inherent Limitations of the Internal Financial Controls with Reference to the Financial Statement

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 revised financial statements to future periods are

subject to the risk that the internal financial controls with reference to revised financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

- (a) Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified with respect of the above matter.

For **Vidya & Co.**

Firm Registration no.: 308022E

Chartered Accountants

(Jitendra Nagar)

Partner

Membership No: 055659

UDIN-24055659BKGYJ2833

Kolkata, the 28th day of May 2024

Consolidated Balance Sheet

as at 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	8.68	11.26
(b) Right-of-use assets	4	8.36	41.76
(c) Intangible assets	5	-	-
(d) Financial assets			
(i) Investments	6.1	21,892.52	12,205.81
(ii) Other financial assets	6.2	214.69	0.28
Total non-current assets		22,124.25	12,259.11
(2) Current assets			
(a) Inventories	7	443.66	444.13
(b) Financial assets			
(i) Investments	8.1	201.51	-
(ii) Trade receivables	8.2	400.43	320.92
(iii) Cash and cash equivalents	8.3	999.16	560.85
(iv) Bank balances other than (iii) above	8.4	599.33	-
(v) Other financial assets	8.5	9.98	750.95
(c) Current tax assets (net)	9	151.40	192.56
(d) Other current assets	10	190.85	121.64
Total current assets		2,996.32	2,391.05
TOTAL ASSETS		25,120.57	14,650.16
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11.1	3,856.19	-
(b) Equity share suspense account	11.2	-	3,856.19
(c) Other equity	11.3	18,727.21	9,701.16
Total equity		22,583.40	13,557.35
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	4	-	9.21
(b) Provisions	12	47.41	55.03
(c) Deferred tax liabilities (net)	13	1,859.07	748.70
Total non-current liabilities		1,906.48	812.94
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	4	9.21	34.62
(ii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	14.1	1.28	1.71
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	14.1	337.36	45.79
(iii) Other financial liabilities	14.2	184.10	111.76
(b) Other current liabilities	15	78.17	68.02
(c) Provisions	16	20.57	17.97
Total current liabilities		630.69	279.87
TOTAL LIABILITIES		2,537.17	1,092.81
TOTAL EQUITY AND LIABILITIES		25,120.57	14,650.16

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements

As per our report of even date attached

For Vidya & Co.

Chartered Accountants

Firm's Registration No.: 308022E

Jitendra Nagar

Partner

Membership Number: 055659

Place : Kolkata

Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata

Date : 28 May 2024

Kiran Bandekar

Managing Director

DIN: 10245133

Place : Kolkata

Kriti Jain

Company Secretary

M. No.ACS 62248

Place : Kolkata

Date : 28 May 2024

Consolidated Statement of Profit and Loss

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

	Particulars	Notes	Year ended 31 March 2024	Period ended 31 March 2023
I	Revenue from operations	17	4,762.52	4,293.00
II	Other income	18	738.96	742.92
III	Total income (I+II)		5,501.48	5,035.92
IV	Expenses			
	Cost of materials consumed	19	71.38	62.35
	Operational Cost	20	3,107.69	2,751.35
	Employee benefits expense	21	1,142.72	1,088.85
	Finance costs	22	3.47	6.11
	Depreciation and amortisation expense	23	38.81	41.98
	Other expenses	24	569.80	452.20
	Total expenses (IV)		4,933.87	4,402.84
V	Profit before tax (III-IV)		567.61	633.08
VI	Tax expense			
	- Current tax	25	177.23	168.28
	- Deferred tax	25	(15.09)	-
	Total tax expense (VI)		162.14	168.28
VII	Total profit for the period (V-VI)		405.47	464.80
VIII	Other comprehensive income			
	Items that will not be reclassified subsequently to profit or loss:			
	(a) Remeasurements of post-employment benefit obligations		14.45	(0.19)
	(b) Changes in fair value of equity instruments designated at FVOCI		9,686.72	(2,322.46)
	(c) Income tax relating to items that will not be reclassified subsequently to profit or loss		1,129.22	(261.23)
	Other comprehensive income for the period, net of tax (VIII)		8,571.95	(2,061.42)
IX	Total comprehensive income for the period (VII+VIII)		8,977.42	(1,596.62)
X	Earnings per equity share: [Nominal value per share ₹10/-]			
	Basic (₹)	30	1.05	1.26
	Diluted (₹)	30	1.05	1.26

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements
As per our report of even date attached

For Vidya & Co.
Chartered Accountants
Firm's Registration No.: 308022E

For and on behalf of the Board of Directors of
Digidrive Distributors Limited
CIN : L51909WB2022PLC252287

Jitendra Nagar
Partner
Membership Number: 055659

Alok Kalani
Chairman
DIN: 03082801
Place : Kolkata

Kiran Bandekar
Managing Director
DIN: 10245133
Place : Kolkata

Asish Kumar Ray
Chief Financial Officer

Kriti Jain
Company Secretary
M. No.ACS 62248

Place : Kolkata
Date : 28 May 2024

Place : Kolkata
Date : 28 May 2024

Place : Kolkata
Date : 28 May 2024

Statement of Cash Flow

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
A Cash flow from operating activities		
Profit before tax	567.61	633.08
Adjustments for:		
Depreciation and amortisation expense	38.81	41.98
Bad debts written off	6.98	16.75
Interest income	(36.10)	-
Liabilities/Provisions no longer required written back	-	(26.34)
Allowances for expected credit loss/ Provision for doubtful advances no longer required written back	(6.04)	(17.42)
Dividend income from equity investments designated at FVOCI	(695.30)	(695.30)
Fair value gain on Mutual fund	(1.52)	-
Finance costs	3.47	6.11
Provision for magazine returns	-	4.85
Operating loss before working capital changes	(122.09)	(36.29)
Adjustments for:		
(Increase)/decrease in other current assets and other financial assets (current and non-current)	671.77	(722.07)
(Increase)/decrease in trade receivables	(80.45)	187.35
(Increase)/decrease in inventories	0.48	0.65
Increase/ (Decrease) in Trade payables	291.15	(19.12)
Increase/ (Decrease) in other financial liabilities, provisions and other current liabilities	140.70	41.28
	1,023.65	(511.91)
Cash generated from/(used in) operations	901.56	(548.20)
Income taxes paid (Net of refund)	(139.83)	(309.43)
Net cash generated from/(used in) operating activities (A)	761.73	(857.63)
B Cash Flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(2.83)	(3.14)
Dividend income from equity investments designated at FVOCI	695.30	695.30
Investment in mutual funds	-200.00	-
Fixed deposits(placed)/matured with banks (with maturity more than 3 months)	-799.32	-
Interest received	21.52	-
Net cash generated from/(used in) investing activities (B)	(285.33)	692.16

Statement of Cash Flow

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
C Cash flow from financing activities		
Repayment of principal portion of lease payment	(34.62)	(37.44)
Interest paid on others	(0.65)	-
Interest paid on lease liabilities	(2.82)	(6.11)
Net cash used in financing activities (C)	(38.09)	(43.55)
Net increase/decrease in Cash and cash equivalents (A+B+C)	438.31	(209.01)
Cash and cash equivalents at the beginning of the year (Refer Note 8.3)	560.85	-
Add: Cash and cash equivalents received pursuant to the scheme of arrangement (Refer Note 32)	-	769.86
Cash and cash equivalents at the end of the year (Refer Note 8.3)	999.16	560.85

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS -7 "Statement of Cash Flows".
- Previous years figures have been regrouped/reclassified to conform to current year's presentation.
- Reconciliation of liabilities from financing activities

Particulars	Balance as at 1 April 2023	Cash Flows	Non-cash changes	Balance as at 31 Mar 2024
Lease Liabilities	43.83	-37.44	2.82	9.21
Total liabilities from financing activities	43.83	-37.44	2.82	9.21

Particulars	Balance as at 15 March 2022	Additions	Cash Flows	Non-cash changes	Balance as at 31 Mar 2023
Lease Liabilities	-	75.16	-37.44	6.11	43.83
Total liabilities from financing activities	-	-	-37.44	6.11	43.83

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements
As per our report of even date attached

For Vidya & Co.
Chartered Accountants
Firm's Registration No.: 308022E

Jitendra Nagar
Partner
Membership Number: 055659

Place : Kolkata
Date : 28 May 2024

For and on behalf of the Board of Directors of
Digidrive Distributors Limited
CIN : L51909WB2022PLC252287

Alok Kalani
Chairman
DIN: 03082801
Place : Kolkata

Asish Kumar Ray
Chief Financial Officer

Place : Kolkata
Date : 28 May 2024

Kiran Bandekar
Managing Director
DIN: 10245133
Place : Kolkata

Kriti Jain
Company Secretary
M. No.ACS 62248

Place : Kolkata
Date : 28 May 2024

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024

(Amount in Rupees lakhs, except otherwise stated)

A. Equity share capital

Description	Number of shares	Amount
As at 15 Mar 2022	1,00,000.00	1.00
Changes in equity share capital during period	-	-
Less: Share cancelled pursuant to the scheme of arrangement #	(1,00,000.00)	(1.00)
As at 31 March 2023	-	-
Transferred from equity share suspense account on listing ®	3,85,61,898	3,856.19
Balance as at 31 March 2024	3,85,61,898	3,856.19

Equity share suspense account

Description	Number of shares	Amount
As at 15 Mar 2022	-	-
Addition pursuant to the scheme of arrangement	3,85,61,898	3,856.19
As at 31 March 2023	3,85,61,898	3,856
Transferred to equity share capital account on listing ®	(3,85,61,898)	(3,856)
As at 31 March 2024	-	-

During the period ended 31 March 2023, the Company issued shares amounting to ₹1.00 lakhs (1,00,000 shares of Re.1 each) to the erstwhile holding company, Saregama India Limited. Subsequently these shares were cancelled pursuant to scheme of arrangement..

® 3,85,61,898 Equity Shares of ₹ 10/- each amounting to ₹ 3856.19 lakh was the proposed share capital of the Company post its restructuring effective from 1 April 2022. As at 31 March 2023, the Company was in the process of listing its shares with the recognized Stock Exchange of India and accordingly, the share capital stands unallotted and disclosed under "Equity Share Suspense Account". During the current year, shares of the Company got listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with effect from 10 January 2024 and accordingly shares lying under equity share suspense account stands transferred to equity share capital account.

B. Other equity

Particulars	Reserve and surplus		Item of Other Comprehensive Income (OCI)	Total
	Capital reserve	Retained earnings	Equity instruments through OCI	
Balance as at 15 March 2022	-	-	-	-
Add pursuant to scheme of arrangement (Refer Note 32)	3,560.66	-	7,505.19	11,065.85
Profit for the year	-	696.59	-	696.59
Other comprehensive income for the period (net of tax)	-	-	(2,061.28)	(2,061.28)
Total comprehensive income for the period	-	696.59	(2,061.28)	9,701.16
Balance as at 31 March 2023	3,560.66	696.59	5,443.91	9,701.16

Particulars	Reserve and surplus		Item of Other Comprehensive Income (OCI)	Total
	Capital reserve	Retained earnings	Equity instruments through OCI	
Balance as at 01 Apr 2023	3,560.66	696.59	5,443.91	9,701.16
Add pursuant to scheme of Arrangement (Refer Note 32)	-	48.64	-	48.64
Profit for the year	-	405.46	-	405.46
Other comprehensive income for the year (net of tax)	-	10.69	8,561.26	8,571.95
Total comprehensive income for the year	-	464.79	8,561.26	9,026.06
Balance as at 31 March 2024	3,560.66	1,161.39	14,005.18	18,727.21

Consolidated Statement of Changes in Equity

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

The description, nature and purpose of each reserve within other equity are as follows:

- (i) **Capital reserve:** Capital reserve represents amount transferred from the transferor company pursuant to the scheme of arrangement.
- (ii) **Retained earnings:** 'This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.
- (iii) **Equity instruments through OCI (FVOCI):** This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

The accompanying notes 1 to 37 are an integral part of these consolidated financial statements

For Vidya & Co.

Chartered Accountants

Firm's Registration No.: 308022E

Jitendra Nagar

Partner

Membership Number: 055659

Place : Kolkata

Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman

DIN: 03082801

Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata

Date : 28 May 2024

Kiran Bandekar

Managing Director

DIN: 10245133

Place : Kolkata

Kriti Jain

Company Secretary

M. No.ACS 62248

Place : Kolkata

Date : 28 May 2024

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024

Background

Digidrive Distributors Limited ("the Company") is a Company limited by shares, incorporated and domiciled in India. Digidrive Distributors Limited (Parent Company) and Open Media Network Private Limited (Subsidiary Company) (Parent Company and its subsidiary together referred as "Group"). The Group is a specialised master distributor for retailing goods on all digital marketplaces. The Group is also engaged in Media & Publishing business, printing of printed materials and marketing support services as detailed under segment information in Note 34. The registered office of the Parent Company is located in Kolkata, West Bengal, India.

The consolidated financial statements were approved and authorised for issue with the resolution of the Board of Directors of the Parent Company on 28 May 2024.

1 Significant accounting policies

The significant accounting policies applied by the Group in the preparation of its consolidated financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial statements.

(a) Basis of preparation

(i) Compliance with Ind AS

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Basis of measurement

(a) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Derivative financial instruments - Fair Value
- Non derivative financial instruments at FVTPL - Fair Value

(b) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Parent Group operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (₹), which is the Group's functional and presentation currency.

(iii) Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of financial statement based on the nature of products / service and the time between the acquisition of assets for processing / providing the services and their realisation in cash and cash equivalents. The Group has ascertained its operating cycle as 12 months for the purpose of current, non-current classification of assets and liabilities.

Assets

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 Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

All other assets are classified as non-current.

Liabilities

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

- (a) it is expected to be settled in the Group's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

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

(b) Revenue recognition

The Group has applied Ind AS 115, Revenue from Contracts with Customers, which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

- Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
- Revenue from current affairs and features magazine is recognised in the period in which the magazines are sold and are accounted for net of commission and discounts. Revenue from subscription to the Group's print publications is recognised as earned, prorata on a per issue basis over the subscription period.

Use of significant judgements in revenue recognition:

- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc. Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer

consideration or variable consideration with elements such as volume discounts, price concessions and incentives.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

(c) Property, plant and equipment - (PPE)

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation Method, Estimated Useful Lives And Residual Values

Depreciation is calculated on a pro-rata basis using the straight-line method to allocate their cost, net of their estimated residual values, over the estimated useful lives of the asset as prescribed under Schedule II to the Companies Act, 2013 which is in line with the technical evaluation carried out by the Group's expert. The useful lives, residual values and the method of depreciation of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss within 'Other Income'/'Other Expenses'. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as 'Capital Advances' under other non-current assets.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(d) Impairment of non-financial assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units).

(e) Leases

As a Lessee

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(f) Inventories

Physical inventory (carvaan): Inventories are valued at lower of cost and net realisable value. The cost is determined on weighted average basis, and includes, where applicable, appropriate share of overheads, the same is charged off on sale of goods. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods. Provision is made for obsolete / slow moving / defective stocks, where necessary.

Raw materials, traded goods held for use in publication or resales are stated at lower of cost and net realisable value. The cost is determined on a weighted average

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

basis, and includes, where applicable, an appropriate share of overheads. Provision is made for obsolete / slow moving / defective stocks, where necessary. The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of material.

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

(h) Investments (other than investments in subsidiaries) and other financial instruments

(i) Classification

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

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

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity Instruments: The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

(iii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its assets which are not fair valued through profit or loss. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note. 26 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109, 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

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

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

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

(v) Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL.

(vi) Financial liabilities through fair value through profit or loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(vii) Financial liabilities at amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

(v) Fair value of financial instruments

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis and available quoted market prices. All methods of assessing fair value result in general approximation of value, and such value may never actually be realised.

(i) Offsetting financial instruments

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

(j) Trade receivables

Trade receivables are amounts due from customers for goods and services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(k) Cash and cash equivalents

For the purpose of presentation in the Cash Flow Statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Foreign currency transactions and translation

(i) Functional and Presentation Currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The financial statements are presented in Indian Rupee (₹), which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

at the dates of the transactions. At the year-end, monetary assets and liabilities denominated in foreign currencies are restated at the year - end exchange rates. The exchange differences arising from settlement of foreign currency transactions and from the year-end restatement are recognised in profit and loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Foreign currency non-monetary items carried in terms of historical cost are reported using the exchange rate at the date of the transactions.

(n) Employee benefits

(i) Short-term employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as 'Employee Benefits Payable' within 'Other Current Liabilities' in the Balance Sheet.

(ii) Other long-term employee benefits

The liabilities for leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured annually by actuaries as the present value of expected future benefits in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

(iii) Post-employment benefits

Defined benefit plans

The liability or asset recognised in the Balance Sheet in respect of defined benefit plans is the

present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in 'Employee Benefits Expense' in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. These are included in 'Retained Earnings' in the Statement of Changes in Equity and in the balance sheet.

Defined Contribution Plans

Contributions under Defined Contribution Plans payable in keeping with the related schemes are recognised as expenses for the period in which the employee has rendered the service.

(o) Income tax

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

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

amounts in the consolidated financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, only if it is probable that future taxable amounts will be available to utilise those temporary differences, tax credits and losses.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, if any. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(p) Provisions and contingencies

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the

occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of the amount cannot be made.

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares, if any.

(r) Rounding of amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs (with two places of decimal) as per the requirement of Schedule III, unless otherwise stated.

(s) Recent accounting pronouncements- Standard issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2 Critical estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amounts



Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each Balance Sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

This Note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- **Employee benefits (Estimation of defined benefit obligations) - Notes 1(n) and 26**

Post-employment benefits represent obligations that will be settled in future and require assumptions to estimate benefit obligations. Post-employment benefit accounting is intended to reflect the recognition of benefit costs over the employees' approximate service period, based on the terms of the plans and the

investment and funding decisions made. The accounting requires the Group to make assumptions regarding variables such as discount rate and salary growth rate. Changes in these key assumptions can have a significant impact on the defined benefit obligations.

- **Impairment of trade receivables — Notes 1(h)(iii) and 28**

Impairment of trade receivables is primarily estimated based on prior experience with and the past due status of receivables, based on factors that include ability to pay and payment history. The assumptions and estimates applied for determining the provision for impairment are reviewed periodically.

- **Estimation of expected useful lives of property, plant and equipment - Notes 1(c) and 3**

Management reviews its estimate of useful lives of property, plant and equipment at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of property, plant and equipment.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)
(Amount in Rupees lakhs, except otherwise stated)

3 Property, plant and equipment

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)		
	Cost as at 01 April 2023	Addition pursuant to scheme of arrangement (Refer No. 32)	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2024	As at 01 April 2023	Addition pursuant to scheme of arrangement (Refer No. 32)	Depreciation for the period	Deductions/ adjustments	As at 31 March 2024	As at 31 March 2023
Furniture and Fixtures	34.75	-	-	-	34.75	31.13	-	0.46	-	31.59	3.62
Office Equipment	17.94	-	-	0.29	17.65	17.16	-	0.30	0.29	17.17	0.78
Computers	30.65	-	2.83	-	33.48	23.79	-	4.65	-	28.44	6.86
Total	83.34	-	2.83	0.29	85.88	72.08	-	5.41	0.29	77.20	11.26

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)		
	Cost as at 01 April 2022	Addition pursuant to scheme of arrangement (Refer No. 32)	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2023	As at 01 April 2022	Addition pursuant to scheme of arrangement (Refer No. 32)	Depreciation for the period	Deductions/ adjustments	As at 31 March 2023	
Furniture and Fixtures	-	34.75	-	-	34.75	-	30.67	0.46	-	31.13	3.62
Office Equipment	-	17.94	-	-	17.94	-	16.85	0.31	-	17.16	0.78
Computers	-	32.93	3.14	5.42	30.65	-	24.65	4.56	5.42	23.79	6.86
Total	-	85.62	3.14	5.42	83.34	-	72.17	5.33	5.42	72.08	11.26

3.1 Aggregate amount of depreciation has been included under 'Depreciation and Amortisation Expense' in the Statement of Profit and Loss (Refer Note 23).

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

4 The Group as a Lessee

The Group leases office premises used for business purposes. The leases typically run for a period of 3 years, with an option to renew the lease after that date. Lease payments are renegotiated every three years to reflect market rentals.

Information about leases for which the Company is a lessee is presented below

Following are the changes in the carrying value of right-of- use assets for the period ended 31 March 2024:

Particulars	Leasehold premises
Balance as at 1 April 2023	41.76
Additions	-
Deletion	-
Depreciation	33.40
Balance as at 31 March 2024	8.36

Following are the changes in the carrying value of right-of- use assets for the period ended 31 March 2023:

Particulars	Leasehold premises
Balance as at 15 March 2022	-
Additions	75.16
Deletion	-
Depreciation	33.40
Balance as at 31 March 2023	41.76

Aggregate amount of depreciation has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss (Refer Note 23).

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2024	As at 31 March 2023
Current lease liabilities	9.21	34.62
Non-current lease liabilities	-	9.21
Total	9.21	43.83

The following is the movement in lease liabilities during the year ended 31 March 2024:

Particulars	Leasehold premises
Balance as at 1 April 2023	43.83
Additions	-
Finance cost accrued during the period	2.82
Deletion	-
Payment of lease liabilities	37.44
Balance as at 31 March 2024	9.21

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

The following is the movement in lease liabilities during the year ended 31 March 2023

Particulars	Leasehold premises
Balance as at 15 March 2022	-
Additions	75.16
Finance cost accrued during the period	6.11
Deletion	-
Payment of lease liabilities	37.44
Balance as at 31 March 2023	43.83

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

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	9.36	37.44
One to five years	-	9.36
More than five years	-	-
Total	9.36	46.80

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The total cash outflow for leases is ₹ 37.44 Lakhs for the period ended 31 March 2024 (Period ended 31 March 2023 - ₹ 43.55 Lakhs.)

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024(Continued)
(Amount in Rupees lakhs, except otherwise stated)

5 Intangible assets

Description	Gross carrying amount			Accumulated depreciation			Carrying amount (net)	
	Cost as at 1 April 2023	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2024	As at 1 April 2023	Amortisation for the year	Deductions / Adjustments	As at 31 March 2024
Computers	13.85	-	-	13.85	13.85	-	-	-
Total	13.85	-	-	13.85	13.85	-	13.85	-

Description	Gross carrying amount				Accumulated depreciation				Carrying amount (net)
	Cost as at 15 Mar 2022	Addition pursuant to scheme of arrangement (Refer No. 34)	Additions/ adjustments	Deductions/ adjustments	Cost as at 31 March 2023	As at 15 Mar 2022	Addition pursuant to scheme of arrangement (Refer No. 34)	Depreciation for the period	As at 31 March 2023
Computers	-	13.85	-	-	13.85	-	10.60	3.25	-
Total	-	13.85	-	-	13.85	-	10.60	3.25	13.85

5.1 The amortization expense of intangible assets have been included under 'Depreciation and Amortization Expense' in the Statement of Profit and Loss. (Refer Note 23)



Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Financial assets (non-current)

6.1 Investments

Particulars	Face value of each unit as at 31 March 2024	Face value of each unit as at 31 March 2023	Number of shares as at 31 March 2024	Number of shares as at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Investments carried at fair value through other comprehensive income						
a) Quoted - fully paid equity shares in other companies						
CESC Limited	Re.1	Re.1	1,54,49,880	1,54,49,880	18,794.78	10,297.35
PCBL Limited	Re.1	Re.1	1,000	1,000	2.68	0.58
Harrisons Malayalam Limited	₹ 10	₹ 10	100	100	0.16	0.11
CFL Capital Financial Services Limited	₹ 10	₹ 10	100	100	0.02	0.02
STEL Holdings Limited	₹ 10	₹ 10	100	100	0.32	0.14
RPSG Ventures Limited	₹ 10	₹ 10	3,08,997	3,08,997	1,923.97	1,127.53
Spencers Retail Limited	₹ 5	₹ 5	10,50,590	10,50,590	959.19	544.21
b) Unquoted - fully paid equity shares in other companies						
Spencer and Company Limited	₹ 9	₹ 9	200	200	1.38	1.08
Woodlands Multispeciality Hospital Limited	₹ 10	₹ 10	2,250	2,250	17.83	12.59
Timbre Media Private Limited	₹ 10	₹ 10	2,30,000	2,30,000	192.19	222.20
Total investments					21,892.52	12,205.81
Aggregate value of unquoted investments					211.40	235.87
Aggregate carrying value of quoted investments and market value thereof					21,681.12	11,969.94

Equity shares designated at fair value through other comprehensive income (FVOCI)

	Fair value as at 31 March 2024	Dividend income recognised period ended 31 March 2024	Fair value as at 31 March 2023	Dividend income recognised during period ended 31 March 2023
Investment in CESC Limited	18,794.78	695.24	10,297.35	695.24
Investment in PCBL Limited	2.68	0.06	0.58	0.06
Investment in Harrisons Malayalam Limited	0.16	-	0.11	-
Investment in CFL Capital Financial Services Limited	0.02	-	0.02	-
Investment in STEL Holdings Limited	0.32	-	0.14	-
Investment in RPSG Ventures Limited	1,923.97	-	1,127.53	-
Investment in Spencers Retail Limited	959.19	-	544.21	-
Investment in Spencer and Company Limited	1.38	-	1.08	-
Investment in Woodlands Multispeciality Hospital Limited	17.83	-	12.59	-
Investment in Timbre Media Private Limited	192.19	-	222.20	-
Total	21,892.52	695.30	12,205.81	695.30

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

6.2 Other financial assets (non - current)

(Unsecured, considered good, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Bank Deposits with remaining maturity more than 12 months	214.41	-
Security Deposits-Others	0.28	0.28
Total other financial assets (non - current)	214.69	0.28

7 Inventories

Particulars	As at 31 March 2024	As at 31 March 2023
Raw materials - Papers	11.82	28.47
Carvaan	431.84	415.66
Total inventories	443.66	444.13

8.1 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
Investments carried at fair value through profit and loss		
Units of Mutual funds (quoted)	201.51	-
Total investments	201.51	-
Aggregate carrying value of quoted investments and market value thereof	201.51	-

8.2 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Unsecured, considered good	400.43	320.92
Credit impaired	11.88	17.92
Less: Allowance for expected credit loss	(11.88)	-17.92
Total trade receivables	400.43	320.92

Particulars	Outstanding from due date of payment as at 31 March 2024						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good	302.85	80.43	17.14	6.59	1.49	3.81	412.31
(ii) Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	302.85	80.43	17.14	6.59	1.49	3.81	412.31
Less: Allowance for expected credit loss	-	-	-	-	-	-	11.88
Total							400.43

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Particulars	Outstanding from due date of payment as at 31 March 2023						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	84.24	212.33	6.43	10.67	2.84	4.41	320.92
(ii) Disputed Trade receivables - credit impaired	-	17.92	-	-	-	-	17.92
	84.24	230.25	6.43	10.67	2.84	4.41	338.84
Less: Allowance for expected credit loss	-	-	-	-	-	-	17.92
Total							320.92

Notes:

- (a) No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (b) Information about the Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 28.

8.3 Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- Current accounts	323.09	560.43
Deposits with maturity of less than 3 months *	675.44	-
Cash in hand	0.63	0.42
Total cash and cash equivalents	999.16	560.85

8.4 Other bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits (with remaining maturity greater than 3 months but less than 12 months)	599.33	-
Total other bank balances	599.33	-

8.5 Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposits - premises	9.98	9.98
Balance receivable pursuant to scheme of demerger (Refer Note No. 32)	-	740.97
Total other current assets	9.98	750.95

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

9 Current tax assets (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance Income Tax	151.40	192.56
Total current tax assets (net)	151.40	192.56

10 Other current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	94.47	84.37
Prepaid expenses	29.15	23.18
Gratuity	17.69	11.92
Other receivables	0.70	-
Other advances	48.66	2.17
Advance given to employees	0.18	-
Total other current assets	190.85	121.64

11 Equity share capital and other equity

11.1 Equity share capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Ordinary Share of ₹10/- each (Previous year ₹10/- each)	4,00,00,000	4,000.00	4,00,00,000	4,000.00
Issued				
Ordinary Shares of ₹10/- each (Previous year ₹10/- each)	3,85,61,898	3,856.19	-	-
Subscribed and fully paid up				
Ordinary Shares of ₹10/- each (Previous year ₹10/- each)	3,85,61,898	3,856.19	-	-

Reconciliation of number of ordinary shares outstanding

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
As at the beginning of the year	-	-	-	-
Add: Transferred from equity share suspense account on listing@	3,85,61,898	3,856.19	-	-
As at the end of the year	3,85,61,898	3,856.19	-	-

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of ₹10/- per share (previous year ₹10/- per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holder of equity shares are eligible to receive remaining assets of the Company in proportion to their shareholding.

Shares held by holding company

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	Amount	Number of shares held	Amount
Composure Services Private Limited	2,08,37,438	2,083.74	-	-

Details of shares held by each shareholders holding more than 5 % of the aggregate shares in the Company

Name of the Shareholder	As at 31 March 2024		As at 31 March 2023	
	Number of shares held	Holding percentage	Number of shares held	Holding percentage
Composure Services Private Limited	2,08,37,438	54.04%	-	-

Disclosure of shareholding of promoters

Name of the Shareholder	As at 31 March 2024			As at 31 March 2023		
	Number of shares held	Holding percentage	% change during the year	Number of shares held	Holding percentage	% change during the year
Composure Services Private Limited	2,08,37,428	54.04%	100.00%	-	-	-
STEL Holdings Limited	320	0.00%	100.00%	-	-	-
Quest Capital Markets Limited	18,48,440	4.79%	100.00%	-	-	-
Total	2,26,86,188	58.83%	100.00%	-	-	-

8.2 Equity share suspense account

Particulars	As at 31 March 2023	
	Number of shares	Amount
Equity shares		
As at 15 Mar 2022	10,000	1.00
Shares issue pursuant to the scheme of arrangement (Refer Note 32)	3,85,61,898	3,856.19
Less: Shares cancelled pursuant to the scheme of arrangement	(10,000)	(1.00)
As at 31 Mar 2023 ^a	3,85,61,898	3,856.19

@ 3,85,61,898 Equity Shares of ₹ 10/- each amounting to ₹ 3856.19 lakh was the proposed share capital of the Parent Company post its restructuring effective from 1 April 2022. As at 31 March 2023, the Parent Company was in the process of listing its shares with the recognized Stock Exchange of India and accordingly, the share capital stands Unallotted and disclosed under "Equity Share Suspense Account". During the current year, shares of the Parent Company got listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) with effect from 10 January 2024 and accordingly shares lying under equity share suspense account stands transferred to equity share capital account.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

11.3 Other equity

Particulars	As at 31 March 2024	As at 31 March 2023
Capital Reserve	3,560.66	3,560.66
Retained earnings	1,161.37	696.59
Equity Instrument through OCI	14,005.18	5,443.91
Total other equity	18,727.21	9,701.16

(i) **Capital reserve** : Capital reserve represents amount transferred from the transferor company pursuant to the scheme of arrangement.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period	3,560.66	-
Add pursuant to scheme of Arrangement (Refer Note 32)	-	3,560.66
Balance at the end of the period	3,560.66	3,560.66

(ii) **Retained earnings** : This reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period	696.59	-
Add: Adjustment pursuant to scheme of arrangement (Refer Note 32)	48.64	231.93
Net profit for the period	405.46	464.80
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurements of post-employment benefit obligation, net of tax	10.69	(0.14)
Balance at the end of the period	1,161.37	696.59

(iii) **Equity instruments through OCI (FVOCI)** : This reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments at fair value through Other Comprehensive Income (OCI), net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period	5,443.91	-
Add : pursuant to scheme of arrangement (Refer Note 32)	-	7,505.19
Changes in fair value of FVOCI equity instruments during the period	9,686.72	-2,322.46
Deferred tax on above	1,125.46	-261.18
Balance at the end of the period	14,005.17	5,443.91

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

12 Provisions (non-current)

Particulars	As at 31 March 2024	As at 31 March 2023
Employee benefit obligations		
Leave encashment obligations (Refer Note 26)	47.41	55.03
Total employee benefit obligation (non-current)	47.41	55.03

13 Deferred tax liabilities (net)

The balance comprises temporary differences attributable to:

Particulars	Balance as at 1 April 2023	Transfer pursuant to scheme of arrangement (Refer Note 32)	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2024
Deferred tax liability						
Fair value changes on financial assets-equity instruments	748.70	-	0.38	1,125.45	-	1,874.54
Total deferred tax liability	748.70	-	0.38	1,125.45	-	1,874.54
Deferred tax asset						
Expenditure allowable for tax purpose in subsequent years	-	-	15.47	-	-	15.47
Total deferred tax asset	-	-	15.47	-	-	15.47
Net deferred tax liability	748.70	-	(15.09)	1,125.46	-	1,859.07

The balance comprises temporary differences attributable to:

Particulars	Balance as at 1 April 2022	Transfer pursuant to scheme of arrangement (Refer Note 32)	Recognised to profit or loss during the year	Recognised to/ reclassified from OCI	Recognised directly to other equity	Balance as at 31 March 2023
Deferred tax liability						
Fair value changes on financial assets-equity instruments	-	1,009.88	-	(261.18)	-	748.70
Expenditure allowable for tax purpose in subsequent years	-	1,009.88	-	-	-	-
Total deferred tax liability	-	1,009.88	-	(261.18)	-	748.70
Deferred tax asset						
Expenditure allowable for tax purpose in subsequent years	-	-	-	-	-	-
Total deferred tax asset	-	-	-	-	-	-
Net deferred tax liability	-	1,009.88	-	(261.18)	-	748.70

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

14.1 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade payables		
a) Total outstanding dues of micro enterprises and small enterprises	1.28	1.71
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	337.36	45.79
Total trade payables	338.64	47.50

* The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. Basis the information available, Company has not entered into any transaction with MSME during the year ended 31 March 2024 and 31 March 2023 and accordingly the disclosures relating to Micro and Small Enterprises is not given.

Outstanding for following periods from due date of payment as at 31 March 2024

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	1.28	-	-	-	-	1.28
Total outstanding dues of creditors other than micro enterprises and small enterprises	331.35	6.01	-	-	-	337.36

Outstanding for following periods from due date of payment as at 31 March 2023

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	1.71	-	-	-	-	1.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.17	16.62	-	-	-	45.79

14.2 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Security deposit from distributor / retailers	1.88	1.88
Liabilities for expenses	168.41	105.38
Employee benefits payable	13.81	4.50
Total other financial liabilities	184.10	111.76

15 Other current liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Subscription received in advance	8.09	7.42
Advance from customers	6.81	5.82
Amount payable to government authorities*	63.27	54.78
Total other current liabilities	78.17	68.02

*Primarily include payables in respect of Goods and Services Tax (GST) and tax deducted at source (TDS).

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

16 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Employee benefit obligations		
Leave encashment obligations (Refer Note 26)	9.93	10.91
Gratuity (Refer Note 26)	1.12	-
Other provisions		
Provision for returns of magazines	9.52	7.06
Total provisions	20.57	17.97

17 Revenue from operations

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Sale of products	3,190.09	2,821.90
Sale of Services		
Publication Revenue	1,572.43	1,471.10
Total revenue from operations	4,762.52	4,293.00

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geography market and timing of revenue recognition. The Group believes that this disaggregation best depicts how the nature, amount, timing of our revenues and cash flows are affected by geography and other economic factors:

Particulars	Sale of Products		Sale of Services	
	Year ended 31 March 2024	Period ended 31 March 2023	Year ended 31 March 2024	Period ended 31 March 2023
Revenue by Geography				
Domestic	3,190.09	2,821.90	1,572.43	1,469.29
International	-	-	-	1.81
	3,190.09	2,821.90	1,572.43	1,471.10
Timing of Revenue Recognition				
Products and services transferred at a point in time	3,190.09	2,821.90	1,557.97	1,461.12
Products and services transferred over time	-	-	14.46	9.98
Total Revenue from Contracts with customers	3,190.09	2,821.90	1,572.43	1,471.10

Contract Balances

The following table provides information about receivables and contract liabilities from contracts with customers.

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Receivables, which are included in 'trade and other receivables' (Refer Note 8.2)	400.43	320.92
Contract liabilities, which are included in subscription received in advance (Refer Note 15)	8.09	7.42

A receivable is a right to consideration that is unconditional upon passage of time. Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.



Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Performance obligation

The following table provides information about the nature and timing of performance obligation in contracts with customers, including significant payment terms and related revenue recognition policies:

Type of product	Nature and timing of satisfaction of performance obligation, including significant payment terms	Revenue recognition under Ind AS 115
Physical products	In case of sales of products, customer obtain control of the products when the goods are delivered at customer's premise.	Revenue from the sale of products is recognised at the point in time when control is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.
Publication revenue	"The performance obligation gets satisfied when the magazines are sold. The performance obligation gets satisfied when the publications are delivered to the subscribers over the subscription period."	Revenue from current affairs and features magazine is recognised in the period in which the magazines are sold and are accounted for net of commission and discounts. Revenue from subscription to the Group's print publications is recognised as earned, prorata on a per issue basis over the subscription period.

18 Other income

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Dividend income from equity investments designated at FVOCI*	695.30	695.30
Interest income		
- on Bank Deposits	18.89	-
- on Income tax refund	17.21	-
Gain on sale/ fair valuation of current investments (net)	1.52	
Provision for doubtful debts and advances no longer required written back	6.04	17.42
Liabilities/provisions no longer required written back	-	26.34
Other non-operating income	-	3.86
Total other income	738.96	742.92

* All dividends from equity investments designated at FVOCI relate to investments held at the end of the reporting period.

19 Cost of materials consumed

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Paper consumption		
Inventory at the beginning of the year	28.47	29.14
Add: purchases during the year	54.73	61.68
Less: inventory at the end of the year	11.82	28.47
Total cost of material consumed	71.38	62.35

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

20 Operational Cost

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Opening inventory	415.66	-
Add: Pursuant to the scheme of arrangement (Refer Note 32)	-	415.66
Add: Purchase of Inventory	3,123.87	2,751.35
less: Closing inventory	431.84	415.66
Total operational cost	3,107.69	2,751.35

21 Employee benefits expense

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Salaries, wages and bonus	1,102.45	1,049.68
Contribution to provident and other funds (Refer Note 26)	40.27	39.17
Total employee benefits expense	1,142.72	1,088.85

22 Finance costs

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Interest on lease liability	2.82	6.11
Interest on Security Deposits	0.65	-
Total finance cost	3.47	6.11

23 Depreciation and amortisation expense

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Depreciation on property, plant and equipments (Refer Note 3)	5.41	5.33
Amortisation on intangible assets (Refer Note 5)	-	3.25
Depreciation on right-of-use assets (Refer Note 4)	33.40	33.40
Total depreciation and amortisation expense	38.81	41.98

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

24 Other expenses

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Rent	12.48	9.18
Power and Fuel	0.16	-
Repairs and maintenance	11.64	18.60
Carriage, freight and forwarding Charges	25.46	25.81
Rates and taxes	1.24	1.44
Insurance expenses	21.31	12.19
Travel and conveyance	29.31	20.24
Editorial expenses	113.28	118.23
Printing expenses	44.09	55.43
Advertisement and sales promotion	87.81	128.78
Printing, stationery & communication expenses	19.61	-
Bad debts written off	6.98	-
Consultancy expenses	64.89	7.86
Net loss on foreign currency transactions	0.31	0.49
Listing and secretarial fees	66.77	-
Payment to auditors	7.28	-
Miscellaneous expense	57.18	53.95
Total other expense	569.80	452.20

25 Tax expenses

A. Tax expense recognised in the Statement of Profit and Loss

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Current tax		
Current tax on profits for the period	177.23	168.28
Total current tax	177.23	168.28
Deferred tax		
Increase in deferred tax assets	(15.47)	-
Increase in deferred tax liabilities	0.38	-
Total deferred tax	(15.09)	-
Total tax expense	162.14	168.28

B. Amount recognised in other comprehensive income

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
The tax charge arising on income and expenses recognised in other comprehensive Income are as follows:		
Deferred tax		
On items that will not be reclassified subsequently to profit or loss		
Remeasurements of post-employment benefit obligations	3.76	(0.05)
Changes in fair value of equity instruments designated at FVOCI	1,125.46	(261.18)
Total amount recognised in other comprehensive income	1,129.22	(261.23)

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

C. Reconciliation of tax expense

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Profit before tax	567.61	633.08
Income tax expense calculated @ 25.17% (31 March 2023 - 25.17%)	142.87	159.35
Adjustments:		
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Items not deductible for tax purposes	29.96	8.93
Other items	(10.69)	-
Tax expense	162.14	168.28

The tax rate used in the above reconciliation for the year 2023-24 and 2022-23 is the tax rate of 25.17% (22% + surcharge @ 10% and education cess @ 4%) payable on taxable profits under the Income Tax Act, 1961.

26 Assets and liabilities relating to employee benefits

(I) Post-employment defined benefit plans

(A) Gratuity (funded)

The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The plan is funded with Aviva Life Insurance Company India Ltd, who make payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Each period an Asset-Liability matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk and return profiles. Investment and contribution policies are integrated within this study. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as set out in Note 1(n)(iii) above, based upon which, the Group makes contributions to the Employees' Gratuity Funds.

The following table sets forth the particulars in respect of the Gratuity Plan (Funded) of the Group:

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:		
Present value of obligation at the beginning of the period	79.26	67.94
Current service cost	9.58	10.42
Interest cost	5.92	4.92
Remeasurements (gains) / losses		
Actuarial (gain)/ loss arising from changes in financial assumptions	1.53	(1.33)
Actuarial (gain)/ loss arising from changes in experience	(14.35)	(1.60)
adjustments		
Benefits paid	(1.31)	(1.09)
Present value of obligation at the end of the period	80.63	79.26
(b) Reconciliation of the opening and closing balances of the fair value of plan assets:		
Fair value of plan assets at the beginning of the period	91.18	88.95
Interest Income	6.81	6.44
Remeasurements gains / (losses)		
Return on plan assets (excluding amount included in net interest cost)	1.63	(3.12)
Benefits paid	(1.31)	(1.09)
Fair value of plan assets at the end of the period	98.31	91.18

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

	Particulars	As at 31 March 2024	As at 31 March 2023
(c)	Reconciliation of the present value of the defined benefit obligation and the fair value of plan assets:		
	Present value of obligation at the end of the period	80.63	79.26
	Fair value of plan assets at the end of the period	98.31	91.18
	Liabilities/(Assets) recognised in the balance sheet	(17.68)	(11.92)
(d)	Actual return on plan assets	8.44	3.33
(e)	Re-measurements losses/(gains) recognised in the Other Comprehensive Income		
	Return on plan assets (excluding amount included in net interest cost)	(1.63)	3.12
	Effect of changes in financial assumptions	1.53	(1.33)
	Effect of changes in experience adjustments	(14.35)	(1.60)
	Total re-measurement included in Other Comprehensive Income	(14.45)	0.19
(f)	Expense recognised in Statement of Profit or Loss:		
	Current service cost	9.58	10.42
	Net interest cost	(0.89)	(1.52)
	Total expense recognised in Statement of Profit and Loss	8.69	8.90
(g)	Category of plan assets:	In %	In %
	(a) Fund with aviva life insurance company India ltd	100%	100%
(h)	Maturity profile of defined benefit obligation:		
	Within 1 year	24.67	20.96
	2-5 years	16.08	10.88
	6-10 years	24.98	41.25
	Over 10 years	95.70	94.51

(h)	Principal actuarial assumptions:	As at 31 March 2024	As at 31 March 2023
	Discount rate	7.20%	7.45%
	Salary growth rate	7.00%	7.00%
	Assumptions regarding future mortality experience are based on mortality tables of 'Indian Assured Lives Mortality (2012-2014) published by the Institute of Actuaries of India.		
	The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.		

(j)	Sensitivity analysis	Change in Assumption	Impact on defined benefit obligation (2023-2024)	Impact on defined benefit obligation (2022-2023)
	Discount Rate	Increase by 1%	Decrease by ₹ 5.81	Decrease by ₹ 6.10
		Decrease by 1%	Increase by ₹ 6.71	Increase by ₹ 7.01
	Salary Growth Rate	Increase by 1%	Increase by ₹ 6.65	Increase by ₹ 6.96
		Decrease by 1%	Decrease by ₹ 5.88	Decrease by ₹ 6.17

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

- (i) The Group expects to contribute ₹ Nil (31 March 2023 - ₹ Nil) to the funded gratuity plans during the next financial period.
- (j) The weighted average duration of the defined benefit obligation as at 31 March 2024 is 10 Years (31 March, 2023 - 10 years).

(II) Post-employment defined contribution plans

(A) Provident fund

Certain categories of employees of the Group receive benefits from a provident fund, a defined contribution plan. Both the employee and employer make monthly contributions to a government administered fund at specified percentage of the covered employee's qualifying salary. The Group has no further obligations under the plan beyond its monthly contributions

During the period, an amount of ₹ 29.72 Lakhs (previous period - ₹ 28.38 lakhs) has been recognised as expenditure towards above defined contribution plans of the Group.

(III) Leave obligations

The Group provides for accumulation of leave by certain categories of its employees. These employees can carry forward a portion of the unutilised leave balances and utilise it in future periods or receive cash (only in case of earned leave) in lieu thereof as per the Group's policy. The Group records a provision for leave obligations in the period in which the employee renders the services that increases this entitlement.

The total provision recorded by the Group towards this obligation was ₹ 56.67 lakhs and ₹ 65.94 Lakhs as at 31 March 2024 and 31 March 2023 respectively. The amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations

However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Particulars	As at 31 March 2024	As at 31 March 2023
Leave provision not expected to be settled within the next 12 months	47.41	55.03

(IV) Risk exposure

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

Discount rate risk

The Group is exposed to the risk of fall in discount rate. A fall in discount rate will eventually increase the ultimate cost of providing the above benefit thereby increasing the value of the liability.

Salary growth risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.



Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Demographic risk

In the valuation of the liability, certain demographic (mortality and attrition rates) assumptions are made. The Group is exposed to this risk to the extent of actual experience eventually being worse compared to the assumptions thereby causing an increase in the benefit cost.

27 Fair value measurements

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows below:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, cash and cash equivalents, lease liabilities, trade payables, and other financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. The fair values of unquoted equity instruments were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. The Group has classified certain financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the period ended 31 March 2024.

Particulars	Fair Value Hierarchy Level	As at 31 March 2024	As at 31 March 2023
Financial assets			
Measured at fair value through OCI			
Investments			
Equity instruments (quoted)	1	21,681.12	11,969.94
Equity instruments (un-quoted)	3	211.40	235.87
		21,892.51	12,205.80

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

(ii) Fair value hierarchy (Continued)

Since, some of the Group's financial assets as mentioned in above table are carried at fair value for which Level 3 inputs have been used. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Particulars	Valuation technique	Significant unobservable inputs	Sensitivity	Sensitivity
			31 March 2024	31 March 2023
Unquoted equity instruments	Discounted cash flow	Earning growth rate/ Discounting rate	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 992.81 Lakhs.	Increase in earning growth rate by 1% and lower discount rate by 1% would increase fair value by ₹ 223.67 Lakhs.
			Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 124.38 Lakhs.	Decrease in earning growth rate by 1% and higher discount rate by 1% would decrease fair value by ₹ 48.76 Lakhs.

Level 3 fair values - Movement in the values of unquoted equity instruments

The following table shows a reconciliation from the opening balance to the closing balance for Level 3 fair values:

Particulars	FVOCI Equity Instruments
Balance at 15 March 2023	
Addition pursuant to scheme of arrangement (Refer Note 32)	155.42
- Net change in fair value (unrealised)	80.45
Balance at 31 March 2023	235.87
Gain / (loss) included in OCI	
- Net change in fair value (unrealised)	(24.47)
Balance at 31 March 2024	211.40

(ii) Financial instruments by category

Particulars	Note No.	As at	As at
		31 March 2024	31 March 2023
		Carrying Amount / Fair Value	Carrying Amount / Fair Value
A. Financial assets			
(a) Measured at fair value through OCI			
Investments			
Equity instruments	6.1	21,892.52	12,205.81
Sub total		21,892.52	12,205.81
(b) Measured at fair value through profit and loss			
Investments			
Units of Mutual funds (quoted)	8.1	201.51	-
Sub total		201.51	-
(c) Measured at amortised cost			
Trade receivables	8.2	400.43	320.92
Cash and cash equivalents	8.3	999.16	560.85
Bank balances other than cash and cash equivalents	8.4	599.33	-
Other financial assets	6.2, 8.5	224.67	751.23
Sub total		2,223.58	1,633.00
Total financial assets		24,317.61	13,838.81

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

	Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
			Carrying Amount / Fair Value	Carrying Amount / Fair Value
B.	Financial liabilities			
	Measured at amortised cost			
	Lease liabilities	4	9.21	43.83
	Trade payables	14.1	338.64	47.50
	Other financial liabilities	14.2	184.10	111.76
	Total financial liabilities		531.95	203.09

28 Financial risk management

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities.

Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

This Note explains the sources of risk which the entity is exposed to and how the entity manages the risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

(A) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily Trade Receivables).

Trade receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Customer credit risk is managed subject to the Group's policy and procedures which involve credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. The Group's customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with business-specific credit policies. The Group's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at ₹ 400.43 Lakhs as on 31 March 2024 (31 March 2023 - ₹ 320.92 Lakhs).

All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors. The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Group are as under:

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors. The movement of the expected loss provision (allowance for bad and doubtful receivables) made by the Group are as under:

Particulars	Year ended 31 March 2024	As at 31 March 2023
Opening balance	17.92	-
Add: Provision made (net)	-	17.92
Less: Utilisation for impairment/de-recognition	6.04	-
Closing balance	11.88	17.92

Other financial assets

Credit risk from balances with banks, term deposits and investments are managed by Group's finance department. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements. The Group monitors ratings, credit spreads and financial strength of its counterparties. As these counter parties are Government institutions, public sector undertakings with investment grade credit ratings and taking into account the experience of the Group over time, the counter party risk attached to such assets is considered to be insignificant.

The Group's maximum exposure to credit risk for the components of the Balance Sheet as of 31st March 2024 is the carrying amounts as disclosed in Note 6.1,6.2, 8.1,8.2,8.3,8.4 and 8.5.

(B) Liquidity risk

Liquidity risk refers to the risk that the Group fails to honour its financial obligations in accordance with terms of contract. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Group's non-derivative financial liabilities on an undiscounted basis (all payable within 12 months), which therefore does not differ from their carrying value as the impact of discounting is not significant.

Particulars	Year ended 31 March 2024	As at 31 March 2023
(i) Lease liabilities (Refer Note 4)	9.21	43.83
(ii) Trade payables (Refer Note 14.1)	338.64	47.50
(iii) Other financial liabilities (Refer Note 14.2)	184.10	111.76
	531.95	203.09

* The ageing of above non-derivative financial liabilities is less than one year.

The Group does not have Derivative financial liabilities as at the end of above mentioned reporting period.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

(C) Market risk

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group majorly transacts business in local currency, therefore there is no exposure to foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company engages in financing activities at market linked rates, any changes in the interest rate environment may impact future rates of borrowings.

The exposure of the Company's financial assets and financial liabilities to interest rate risk is as follows:

Particulars	31 March 2024		31 March 2023	
	Floating Rate	Fixed Rate	Floating Rate	Fixed Rate
Financial assets (Refer Note 5.3, 5.4 and 5.5)	-	1,489.17	-	-
Financial liabilities	-	-	-	-
	-	1,489.17	-	-

Increase/ decrease of 50 basis points (holding all other variables constant) in interest rates at the balance sheet date would result in increase/decrease of ₹ Nil (31 March 2023 - ₹ Nil) in interest expense on financial liabilities with floating interest rate and corresponding impact on profit before tax for the year ended 31 March 2024.

The Company invests its surplus funds in fixed deposits and mutual funds. Fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility.

(iii) Securities price risk

The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that will fluctuate due to changes in market traded prices, which may impact the return and value of such investments. The value of investments in such mutual fund schemes as at 31 March 2024 is ₹ 201.51 Lakhs (31 March 2023 - ₹ Nil Lakhs). Accordingly, fair value fluctuations arising from market volatility are recognised in Statement of profit and loss.

29 Capital management

(a) Risk management

The Group's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital on the basis of net debt to equity ratio and maturity profile of overall debt portfolio of the Company.

Net debt implies total borrowings of the Company as reduced by Cash and Cash Equivalent and Equity comprises all components attributable to the owners of the Company.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

The following table summarises the capital of the Company:

Particulars	Year ended 31 March 2024	As at 31 March 2023
Total borrowings ⁽¹⁾	9.21	43.83
Less: Cash and cash equivalents (Refer Note 8.3)	(999.16)	(560.85)
Net Debt	(989.65)	(517.02)
Equity (Refer Note 11.1, 11.2 and 11.3)	22583.40	13,557.35
Net Debt to Equity Ratio	(0.04)	(0.04)

⁽¹⁾ Borrowings represents only lease liabilities

No changes were made to the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

30 Basic and diluted earnings per share:

Particulars	Year ended 31 March 2024	Period ended 31 March 2023
Number of equity shares at the beginning of the year	3,85,61,898	1,00,000
Number of equity shares at the end of the year	3,85,61,898	3,85,61,898
Weighted average number of equity shares outstanding during the year	3,85,61,898	3,68,50,243
Weighted average number of equity shares for computing basic and diluted earnings per share (A)	3,85,61,898	3,68,50,243
Nominal value of each equity share (₹)	10	10
Profit after tax available for equity shareholders (₹ in Lakhs) [B]	405.47	464.80
Basic and Diluted earnings per share (₹) [B/A]	1.05	1.26

31 Related Party Disclosures

Where control exists

a) Parent entity

Name	Type	Place of incorporation	Ownership interest	
			As at 31 March 2024	As at 31 March 2023
Composure Services Private Limited (CSPL)	Holding Company	India	54.04%	-

b) Interest in Subsidiaries

The Parent Company's subsidiaries at 31 March 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name	Type	Place of incorporation	Ownership interest	
			As at 31 March 2024	As at 31 March 2023
Open Media Network Private Limited (OMNPL)	Wholly Owned Subsidiary Company	India	100.00%	100.00%

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

c) Key management personnel of the Parent Company and its Holding Company

Name of the Related Party	Relationship
Mr. Alok Kalani	Non-Executive Director of Parent Company w.e.f. 15 March 2022
Mr. Gopal Rath	Non-Executive Director of Parent Company w.e.f. 15 March 2022
Mr. Santanu Bhattacharya	Non-Executive Independent Director of Parent Company w.e.f. 18 July 2023
Mr. Vinod Kumar	Non-Executive Independent Director of Parent Company w.e.f. 26 July 2023
Mrs. Iram Hassan	Non-Executive Woman Independent Director of Parent Company w.e.f. 18 July 2023
Mrs. Sunil Sanganeria	Non-Executive Director of Parent Company upto 10 August 2023
Mr. Kiran Bandekar	Managing Director of Parent Company w.e.f. 18 July, 2023
Mr. Asish Kumar Ray	Chief Financial Officer of Parent Company w.e.f. 18 July 2023
Ms. Kriti Jain	Company Secretary of Parent Company w.e.f. 18 July 2023
Mr. Rajendra Dey	Director of Holding Company
Mr. Akhilanand Joshi	Director of Holding Company

d) Other Related Parties with whom the Company had transactions

Name	Relationship
Saregama India Limited	Fellow Subsidiary Company w.e.f. 1 April 2022

Transactions with related parties

Sl. No	Particulars	Year ended 31st March 2024	Period ended 31st March 2023
I	Saregama India Limited - Fellow Subsidiary		
	Purchases from Saregama India Limited	3,123.87	-
	Rental Payments to Saregama India Limited	2.72	-
II	Sitting fees paid to Key Management Personnel of the Parent Company		
	Mr. Alok Kalani	0.30	-
	Mr. Gopal Rath	0.25	-
	Mr. Santanu Bhattacharya	0.35	-
	Ms. Iram Hassan	0.40	-
III	Remuneration to Key Management Personnel of the Parent Company		
	Mr. Kiran Bandekar	6.28	-
	Mr. Asish Kumar Ray	6.69	-
	Ms. Kriti Jain	4.04	-

Key management personnel compensation

Particulars	Year ended 31st March 2024	Period ended 31st March 2023
Short-term employee benefits	16.16	-
Post employment benefits	0.45	-
Other long-term benefits	0.40	-

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

Balances outstanding at the year end

Particulars	As at 31st March 2024	As at 31st March 2023
Saregama India Limited		
Amount receivable pursuant to the scheme of arrangement #	-	740.97
Trade Payable	297.45	-

Pursuant to Scheme of Arrangement

As per the Scheme of Arrangement, Saregama India Limited (Erstwhile holding company/Demerged Company) has continued to manage the operations of demerged units, hence the inter se transactions between the demerged and resultant companies pertaining to the operation of units, including interse transfer of goods, assets, employees, funds, reimbursement of expenses etc have not been reported here on above. A sum of ₹ 740.97 lakhs is recoverable as at 31 March 23 from Saregama India Limited on account of money held in trust by them for managing the operations of demerged undertaking which is shown under Other financial assets.

Terms and conditions of transactions with related parties :

Sales to related parties are made in the ordinary course of business and on terms equivalent to those that prevail in arm's length transactions with other customers. Outstanding balances at the year-end are unsecured and will be settled in cash and cash equivalents.

32 Scheme of Arrangement

Pursuant to the Scheme of Arrangement (the 'Scheme'), duly sanctioned by the National Company Law Tribunal (NCLT), Kolkata Bench vide Order dated 22 June 2023 ("Order"), with effect from the Appointed Date i.e., 1 April 2022, the E-commerce Distribution Business along with identified non-core assets ('the demerged undertaking ') of the Saregama India Limited ("Demerged Company") including investment in wholly owned subsidiary - Open Media Network Private Limited engaged in publication business, stands transferred into the "Digidrive Distributors Limited" ('the Resulting Company').

On receipt of the order dated 22 June 2023 from NCLT sanctioning the Scheme and upon filing the same with Registrar of Companies, Kolkata on 12 July 2023 the Scheme has become effective. Accordingly, the company has given effect to the Scheme in the consolidated financial statements for the year ended 31 March 2023 and has accounted the same as per the pulling of interest method.

Pursuant to the above Order, the Group has recognised the effect of demerger and the difference of ₹ 3,560.66 Lakhs i.e. excess of the value of transferred assets over the transferred liabilities pertaining to the demerged undertaking pursuant to the Scheme of ₹ 7416.85 Lakhs adjusted with equity share capital issued of ₹ 3856.19 Lakhs has been credited to the Capital Reserve.

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

33 Additional information pursuant to paragraph 2 of Division II of schedule III to the Companies Act 2013

Name of the Entity	As at 31 March 2024 Net Assets, i.e. total assets minus total liabilities		2023-24 Share in Profit or Loss		2023-24 Share in Other Comprehensive Income		2023-24 Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated Other comprehensive income	Amount	As % of Consolidated Total comprehensive income	Amount
Parent								
Digidrive Distributors Limited	99.52%	22,475.49	107.09%	434.21	99.88%	8,561.26	100.20%	8,995.47
Subsidiaries								
Open Media Network Private Limited	0.48%	107.91	-7.09%	-28.74	0.12%	10.69	-0.20%	-18.05
Total	100.00%	22,583.40	100.00%	405.47	100.00%	8,571.95	100.00%	8,977.42

34 Segment Information

(a) Description of segments and principal activities

The Group's Chief Operating Decision Maker ('CODM') examines the Group's performance and has identified two reportable segments of its business

Trading : Specialised master distributorship for retailing goods on all digital marketplaces.

Publication : Group also publishes weekly current affairs magazine 'OPEN' through its publication business.

The segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statement. Also the group's borrowings (including finance costs and interest income), income taxes and investments are managed at head office and are not allocated to operating segments.

Segment Revenue is measured in the same way as in the Statement of Profit and Loss.

Segment assets and liabilities are measured in the same way as in the consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

(b) Information about reportable segments

Particulars	Year ended 31 March 2024			Period ended 31 March 2023		
	Trading	Publication	Total	Trading	Publication	Total
Segment revenue						
- External sales	3,190.09	1,572.43	4,762.52	2,821.90	1,471.10	4,293.00
- Intersegment sales	-	-	-	-	-	-
Total segment revenue	3,190.09	1,572.43	4,762.52	2,821.90	1,471.10	4,293.00

Particulars	Year ended 31 March 2024			Period ended 31 March 2023		
	Trading	Publication	Total	Trading	Publication	Total
Segment result	61.00	(29.92)	31.08	43.55	(99.66)	(56.11)
Reconciliation to profit before tax						
Finance costs			3.47			6.11
Other unallocated expenditure (net of unallocated income)			(540.00)			(695.30)
Profit before tax			567.61			633.08
Taxes			162.14			168.28
Profit for the year			405.47			464.80

Particulars	Year ended 31 March 2024				Period ended 31 March 2023			
	Trading	Publication	Unallocated	Total	Trading	Publication	Unallocated	Total
Segment depreciation and amortisation	-	38.81	-	38.81	-	41.98	-	41.98
Non cash expenses*				38.81				41.98

*There are no other significant non-cash expenditure other than depreciation and amortisation

Particulars	As at 31 March 2024			As at 31 March 2023		
	Trading	Publication	Total	Trading	Publication	Total
Segment assets	899.66	422.23	1,321.89	1,456.68	470.08	1,926.76
Reconciliation to total assets						
Unallocated assets	-	-	23,798.68	-	-	12,723.40
Total assets			25,120.57			14,650.16

Particulars	As at 31 March 2024			As at 31 March 2023		
	Trading	Publication	Total	Trading	Publication	Total
Segment liabilities	363.80	314.30	678.10	-	344.11	344.11
Reconciliation to total liabilities						
Unallocated liabilities	-	-	1,859.07	-	-	748.70
Total assets			2,537.17		344.11	1,092.81

Notes Forming part of the Consolidated Financial Statements

for the year ended 31 March 2024 (Continued)

(Amount in Rupees lakhs, except otherwise stated)

(c) Additional information by geographies

The amount of revenue from external customers broken down by the location of the customers is shown in table below-

Revenue from external customers	Year ended 31 March 2024	Period ended 31 March 2023
India	4,762.52	4,291.19
Other Countries	-	1.81
Total	4,762.52	4,293.00

The total of segment assets broken down by location of the assets is shown below-

Non-current assets*	Year ended 31 March 2024	Period ended 31 March 2023
India	17.04	53.02
Other Countries	-	-
Total	17.04	53.02

* Excluding financial instruments, etc. as defined under Indian Accounting Standard (Ind AS) 108 on 'Operating Segment' notified in the Act.

(d) Revenue from major customers

There are three customers contributing more than 10% of total revenues of the Group amounting to ₹ 2672.32 Lakhs for the period ended 31 March 2024 (previous year ₹ 2581.92 Lakhs)

35 Commitments

Estimated amount of contract remaining to be executed on Capital account and not provided for [net of advances of ₹ Nil (31 March 2023 - ₹ Nil)] as at 31 March 2024 are estimated at ₹ Nil (31 March 2023 - ₹ Nil).

36 Contingent liabilities

Contingent liabilities of the Group is Rs, Nil as at 31 March 2024 (31 March 2023 - ₹ Nil)

37 Previous year's figures have been regrouped or re-arranged, where considered necessary

For Vidya & Co.

Chartered Accountants
Firm's Registration No.: 308022E

Jitendra Nagar

Partner
Membership Number: 055659

Place : Kolkata
Date : 28 May 2024

For and on behalf of the Board of Directors of

Digidrive Distributors Limited

CIN : L51909WB2022PLC252287

Alok Kalani

Chairman
DIN: 03082801
Place : Kolkata

Asish Kumar Ray

Chief Financial Officer

Place : Kolkata
Date : 28 May 2024

Kiran Bandekar

Managing Director
DIN: 10245133
Place : Kolkata

Kriti Jain

Company Secretary
M. No.ACS 62248

Place : Kolkata
Date : 28 May 2024

AOC-1**Annexure 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Amount in Rupees lakhs, except otherwise stated)

	Name of the subsidiary	Open Media Network Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
2	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
3	Share capital	7,082.70
4	Other Equity / Reserves & surplus	(6974.79)
5	Total assets	422.23
6	Total Liabilities (excluding Capital and Reserves)	314.30
7	Details of Investment (except in case of investment in the Subsidiaries)	-
8	Turnover	1,572.43
9	Profit /(Loss) before taxation	(32.51)
10	Provision for taxation	(3.76)
11	Profit after taxation	(28.75)
12	Proposed Dividend	-
13	% of shareholding	100%

Note : Company does not have any Associates and Joint Venture, Accordingly disclosure as required under Part B is not applicable.

Alok Kalani

Chairman

DIN: 03082801

Place: Kolkata

Kiran Bandekar

Managing Director

DIN: 10245133

Place: Kolkata

Asish Kumar Ray

Chief Financial Officer

Place: Kolkata

Kriti Jain

Company Secretary

ACS: 62248

Place: Kolkata

Date: 28 May 2024



REGISTERED OFFICE

Digidrive Distributors Limited

33, Jessore Road, Dum Dum

Kolkata - 700028

CIN:L51909WB2022PLC252287

Email:digidrive.sec@rpsg.in

Website:www.digidrivelimited.com

