

Price Waterhouse & Co Chartered Accountants LLP

Independent Auditor's Report

To the Members of Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as the "Group"), its joint venture and trusts (refer Note 37 to the consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2025, and 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 for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the 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, its joint venture and trusts as at March 31, 2025, and consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Consolidated Financial Statements" section of our report. We are independent of the Group, its joint venture and trusts in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the consolidated financial statements and our 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.

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Price Waterhouse & Co. (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300009 (ICAI registration number before conversion was 304026E)

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 the reports of the other auditors as furnished to us (Refer paragraph 12 to 14 below), 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture and trusts in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group, its joint venture and trusts are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial statements, the respective Board of Directors of the companies and Trustees included in the Group, its joint venture and trusts are responsible for assessing the ability of the Group, its joint venture and trusts to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors and trustees either intends to liquidate the Group, its joint venture and trusts or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies and Trustees included in the Group, its joint venture and trusts are responsible for overseeing the financial reporting process of the Group, its joint venture and trusts.

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

8. 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 Holding Company has adequate internal financial controls with reference to consolidated 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 management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group, its joint venture and trusts 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 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 auditor's report. However, future events or conditions may cause the Group, its joint venture and trusts 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 information of the entities or business activities within the Group, its joint venture and trusts 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, such 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.
10. 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.
11. 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.

Other Matter

12. We did not audit the financial statements of three trusts whose financial statements reflect total assets of Rs 1.07 million and net assets of Rs 1.07 million as at March 31, 2025, total revenue of Rs. 0.08 million or total comprehensive income (comprising of profit and other comprehensive income) of Rs 0.08 million and net cash flows amounting to Rs 0.00 million for the year ended on that date, as considered in the consolidated financial statements. The financial statements of these trusts have been audited by other auditors whose reports have been furnished to us by the Holding Company's management. Our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these trusts and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid trusts is based solely on the reports of the other auditors furnished to us by the Holding Company's management. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.
13. The financial statements of one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs 11.36 million and net assets of Rs 6.79 million as at March 31, 2025, total revenue of Rs. 0.06 million, total comprehensive income (comprising of loss and other comprehensive income) of Rs (27.18) million and net cash flows amounting to Rs (1.53) million for the year then ended have been prepared in accordance with accounting principles generally accepted in its respective country and have been audited by other auditor under generally accepted auditing standards applicable in its respective country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its respective country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including in other information, is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.
14. The consolidated financial statements include the Group's share of loss of Rs. 86.48 million for the year ended March 31, 2025 as considered in the consolidated financial statements, in respect of a joint venture located outside India, whose financial statements have not been audited by us. The special purpose financial statements of this entity have been prepared in accordance with accounting principles generally accepted in India. These special purpose financial statements have been audited by other auditor whose report have been furnished to us by the Holding Company's Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this Joint Venture is based on the report of the other auditor and the procedures performed by us.
15. The financial statements of one subsidiary located outside India, included in the consolidated financial statements, which constitute total assets of Rs 0.00 million and net assets of Rs 0.00 million as at March 31, 2025, total revenue of Rs. 0.77 million, total comprehensive income (comprising of loss and other comprehensive income) of Rs (0.01) million and net cash flows amounting to Rs (1.56) million for the year then ended have been prepared in accordance with accounting principles generally accepted in its country. The financial statements of this subsidiary are unaudited and have been furnished to us by the Holding Company's management. The Holding Company's management has converted the financial statements of such subsidiary located outside India from the accounting principles generally accepted in its country to the accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India, including in other information, is based on such unaudited financial statements and the conversion adjustments prepared by the management of the Holding Company and audited by us.

In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

16. As required by paragraph 3(xxii) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.
17. As required by Section 143(3) of the Act, 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 have been kept by the Holding Company and a subsidiary, which is a company incorporated in India, so far as it appears from our examination of those books except that the back-up of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India for one of the applications during the period October 1, 2024 to January 26, 2025 (refer Note 43(l) to the consolidated financial statements). Also, refer the matters stated in paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (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 and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards 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 March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary, incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 17(b) above on reporting under Section 143(3)(b) and paragraph 17(h)(vi) below on reporting under Rule 11(g) of the Rules.
 - (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 40 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary, incorporated in India.
 - iv. (a) The respective managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, other than as disclosed in Note 43(k)(i) to the consolidated financial statements, no funds 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 or its subsidiary, to or in any other persons or entities, including foreign entities ("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 or its subsidiary, ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 43(k)(ii) to the financial statements, no funds have been received by the Company or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or its subsidiary 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.
 - (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us which are companies incorporated in India whose financial statements have been audited under the Act, 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) contain any material misstatement.
 - v. The Holding Company and its subsidiary have not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Holding Company and a subsidiary, which is a company incorporated in India, has used accounting software for maintaining its books of account, including software which are operated by third party software service providers, which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that in the absence of the independent service auditors' report for the financial year,

we are unable to comment whether the audit trail feature of the aforesaid software at the database level was enabled and operated throughout the year.

During the course of performing our procedures, other than the aforesaid instance of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Group as per the statutory requirements for record retention (refer Note 43(m) to the consolidated financial statements).

18. The Group have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration Number: 304026E/E300009

Abhishek Rara

Partner

Membership Number: 077779

UDIN: 25077779BMMKBF7974

Place: Gurugram

Date: June 05, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

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Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited) (hereinafter referred to as "the Holding Company") and its subsidiary, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph 17(g) of the Independent Auditor's Report of even date to the members of Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

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Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiary, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, 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 issued by the ICAI.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E300009

Abhishek Rara
Partner
Membership Number: 077779

UDIN: 25077779BMMKBF7974
Place: Gurugram
Date: June 05, 2025

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

Consolidated Balance Sheet as at 31 March, 2025

(All amounts in INR Millions, unless otherwise stated)

	Note	As at 31 March, 2025	As at 31 March, 2024
Assets			
Non-current assets			
Property, plant and equipment	3(a)	150.28	174.40
Right-of-use assets	3(b)	1,118.58	991.87
Intangible assets	4	0.81	2.36
Financial assets			
i) Investments	5	1,670.71	1,935.60
ii) Other financial assets	6	89.48	74.32
Other non-current assets	8	148.96	101.51
Deferred tax assets (net)	30	2,117.43	-
Total non-current assets		5,296.25	3,280.06
Current assets			
Inventories	10	414.85	289.19
Financial assets			
i) Investments	5	9,239.94	5,686.41
ii) Trade receivables	11	265.98	200.64
iii) Cash and cash equivalents	12	610.97	421.58
iv) Bank balances other than (iii) above	13	5,295.87	4,790.13
v) Other financial assets	7	647.23	1,552.35
Other current assets	9	235.28	166.10
Total current assets		16,710.12	13,106.40
Total assets		22,006.37	16,386.46
Equity and liabilities			
Equity			
Equity share capital	14	489.77	0.17
Other equity	15	17,468.44	12,926.24
Total equity		17,958.21	12,926.41
Liabilities			
Non-current liabilities			
Financial liabilities			
i) Lease liabilities	31	994.74	862.61
Provisions	19	219.45	156.78
Total non-current liabilities		1,214.19	1,019.39
Current liabilities			
Financial liabilities			
i) Lease liabilities	31	204.35	178.58
ii) Trade payables	16		
a) total outstanding dues of micro enterprises and small enterprises		149.70	140.27
b) total outstanding dues of creditors other than (ii)(a) above		955.18	786.74
iii) Other financial liabilities	17	983.16	852.01
Contract liabilities	18	170.71	233.84
Provisions	19	138.98	61.54
Other current liabilities	20	231.89	187.68
Total current liabilities		2,833.97	2,440.66
Total equity and liabilities		22,006.37	16,386.46

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

This is the consolidated balance sheet referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E300009

For and on behalf of the Board of Directors of
Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Abhishek Rara
Partner
Membership No. 077779
Date: 05 June, 2025
Place: Gurugram

Abhiraj Singh Bhal
Chairperson, Managing Director and
Chief Executive Officer
DIN: 07005253
Date: 05 June, 2025
Place: Gurugram

Varun Khaitan
Executive Director and
Chief Operating Officer
DIN: 07005033
Date: 05 June, 2025
Place: Gurugram

Abhay Krishna Mathur
Chief Financial Officer
Date: 05 June, 2025
Place: Gurugram

Sonali Singh
Company Secretary and
Compliance Officer
Membership No. A26585
Date: 05 June, 2025
Place: Gurugram

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

	Note	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Income			
Revenue from operations	21	11,444.65	8,280.18
Other income	22	1,162.12	999.73
Total income		12,606.77	9,279.91
Expenses			
Purchases of stock-in-trade	23	2,253.61	1,427.87
Changes in inventories of stock-in-trade	24	(127.53)	(135.34)
Employee benefits expense	25	3,501.22	3,448.18
Finance costs	26	104.75	92.00
Depreciation and amortisation expense	27	369.96	367.99
Other expenses	28	6,132.75	5,006.48
Total expenses		12,234.76	10,207.18
Profit/(Loss) before share of net profits of investments accounted for using equity method and tax		372.01	(927.27)
Share of net loss of joint venture accounted for using equity method		(86.48)	-
Profit/(Loss) before tax		285.53	(927.27)
Tax expense/(credit):			
Current tax		-	0.45
Deferred tax	30	(2,112.12)	-
Total tax expense/(credit)		(2,112.12)	0.45
Profit/(Loss) for the year		2,397.65	(927.72)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans	32	(16.70)	(3.86)
Income tax effect of above	30	5.31	-
Items that will be reclassified to profit or loss			
Exchange difference on translation of foreign operations	15	2.61	(1.37)
Other comprehensive income, net of tax		(8.78)	(5.23)
Total comprehensive income		2,388.87	(932.95)
Earnings per equity share			
(Face value of ₹ 1 per share)			
- Basic (in ₹ per equity share)	29	1.66	(0.66)
- Diluted (in ₹ per equity share)	29	1.65	(0.66)

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes.

This is the consolidated statement of profit and loss referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration No. 304026E/E300009

For and on behalf of the Board of Directors of
Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Abhishek Rara
Partner
Membership No. 077779
Date: 05 June, 2025
Place: Gurugram

Abhiraj Singh Bhal
Chairperson, Managing Director and
Chief Executive Officer
DIN: 07005253
Date: 05 June, 2025
Place: Gurugram

Varun Khaitan
Executive Director and
Chief Operating Officer
DIN: 07005033
Date: 05 June, 2025
Place: Gurugram

Abhay Krishna Mathur
Chief Financial Officer
Date: 05 June, 2025
Place: Gurugram

Sonali Singh
Company Secretary and
Compliance Officer
Membership No. A26585
Date: 05 June, 2025
Place: Gurugram

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

(A) Equity share capital

(i) Issued share capital

At the beginning of the year

Add: Equity share capital issued during the year

Outstanding at the end of the year

As at 31 March, 2025		As at 31 March, 2024	
Number of shares	Amount ₹ in million	Number of shares	Amount ₹ in million
186,532	0.19	186,315	0.19
489,582,257	489.58	217	*
489,768,789	489.77	186,532	0.19

(ii) Subscribed share capital

At the beginning of the year

Add: Equity share capital subscribed during the year

Add: Issuance of bonus equity shares

Outstanding at the end of the year

As at 31 March, 2025		As at 31 March, 2024	
Number of shares	Amount ₹ in million	Number of shares	Amount ₹ in million
185,243	0.19	185,026	0.19
1,060,244	1.06	217	*
488,522,013	488.52	-	-
489,767,500	489.77	185,243	0.19

(iii) Paid-up share capital

At the beginning of the year

Add: Amount paid-up towards stock options exercised during the year

Add: Amount called up towards partly paid-up shares during the year

Add: Issuance of bonus equity shares

Outstanding at the end of the year

As at 31 March, 2025		As at 31 March, 2024	
Number of shares	Amount ₹ in million	Number of shares	Amount ₹ in million
185,243	0.17	185,026	0.17
1,060,244	1.06	-	-
-	0.02	217	*
488,522,013	488.52	-	-
489,767,500	489.77	185,243	0.17

* Amount less than INR 0.01 Million

(B) Other equity

	Instruments entirely equity in nature	Reserves and surplus			Retained earnings	Items of Other comprehensive income		Total other equity
		Securities premium	Employee stock options reserve	Partner incentivisation plan reserve		Foreign currency translation reserve	Remeasurement of defined benefit plans	
As at 01 April, 2023	3.83	24,028.17	4,124.16	18.09	(14,807.51)	33.59	(5.88)	13,394.45
Loss for the year	-	-	-	-	(927.72)	-	-	(927.72)
Other comprehensive income								
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	(3.86)	(3.86)
Exchange difference on translation of foreign operations	-	-	-	-	-	(1.37)	-	(1.37)
Total comprehensive income	-	-	-	-	(927.72)	(1.37)	(3.86)	(932.95)
Share based payment expense for the year	-	-	571.26	-	-	-	-	571.26
Partner incentivisation plan expense for the year	-	-	-	26.88	-	-	-	26.88
Securities premium on options exercised during the year	-	24.59	(24.59)	-	-	-	-	-
Share issuance expense	-	(5.86)	-	-	-	-	-	(5.86)
Stock options redeemed under the partner incentivisation plan during the year	-	-	-	(1.50)	-	-	-	(1.50)
Liability transferred to payable to service providers	-	-	-	(43.47)	-	-	-	(43.47)
Liability transferred to employee benefit payable	-	-	(82.57)	-	-	-	-	(82.57)
As at 31 March, 2024	3.83	24,046.90	4,588.26	-	(15,735.23)	32.22	(9.74)	12,926.24

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

	Instruments entirely equity in nature	Reserves and surplus				Items of Other comprehensive income		Total other equity
		Securities premium	Employee stock options reserve	Partner incentivisation plan reserve	Retained earnings	Foreign currency translation reserve	Remeasurement of defined benefit plans	
As at 01 April, 2024	3.83	24,046.90	4,588.26	-	(15,735.23)	32.22	(9.74)	12,926.24
Profit for the year	-	-	-	-	2,397.65	-	-	2,397.65
Other comprehensive income								
Remeasurement losses of defined benefit plan	-	-	-	-	-	-	(11.39)	(11.39)
Exchange difference on translation of foreign operations	-	-	-	-	-	2.61	-	2.61
Foreign currency translation reserve actualized	-	-	-	-	-	(16.36)	-	(16.36)
Total comprehensive income	-	-	-	-	2,397.65	(13.75)	(11.39)	2,372.51
Share based payment expense for the year	-	-	725.70	-	-	-	-	725.70
Premium on partly paid-up equity shares called during the year	-	1,932.51	-	-	-	-	-	1,932.51
Premium on options exercised during the year	-	970.29	(970.29)	-	-	-	-	-
Bonus issue of equity shares	-	(488.52)	-	-	-	-	-	(488.52)
As at 31 March, 2025	3.83	26,461.18	4,343.67	-	(13,337.58)	18.47	(21.13)	17,468.44

The above consolidated statement of changes in equity should be read in conjunction with notes.

This is the consolidated statements of changes in equity referred to in our report of even date.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E300009

For and on behalf of the Board of Directors of

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Abhishek Rara

Partner

Membership No. 077779

Date: 05 June, 2025

Place: Gurugram

Abhiraj Singh Bhal

Chairperson, Managing Director and

Chief Executive Officer

DIN: 07005253

Date: 05 June, 2025

Place: Gurugram

Varun Khaitan

Executive Director and

Chief Operating Officer

DIN: 07005033

Date: 05 June, 2025

Place: Gurugram

Abhay Krishna Mathur

Chief Financial Officer

Date: 05 June, 2025

Place: Gurugram

Sonali Singh

Company Secretary and

Compliance Officer

Membership No. A265

Date: 05 June, 2025

Place: Gurugram

	Note	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Cash flow from operating activities			
Profit / (Loss) before tax		285.53	(927.27)
Adjustments for:			
Share based payment expense	25	725.70	571.26
Depreciation and amortisation expense	27	369.96	367.99
Impairment of property, plant and equipment	28	22.34	-
Property, plant and equipment written off	28	3.77	4.85
Advances written off	28	1.23	3.23
Liabilities no longer required, written back	22	(0.22)	(12.47)
Foreign Currency Translation Reserve	15	2.61	(1.37)
Allowance for doubtful recoveries of advance	28	5.78	(0.51)
Net gain on lease modification	22	(22.00)	(7.81)
Bad debts	28	23.37	7.47
Allowances for bad and doubtful debts	28	27.13	3.32
Share of losses of joint venture	37	86.48	-
Fair value gain on mutual funds at FVTPL	22	0.27	(0.57)
Gain on sale of mutual fund	22	(20.43)	(27.15)
Loss / (Gain) on disposal of property, plant and equipment	28	(2.44)	0.67
Unwinding of discount on security deposits	22	(8.45)	(9.72)
Interest paid on lease liabilities	26	104.75	92.00
Interest income from bonds and zero coupon bonds measured at amortised cost	22	(370.96)	(168.89)
Interest income on bank fixed deposits	22	(400.95)	(356.85)
Interest income on corporate fixed deposits	22	(309.14)	(401.38)
Interest income on income tax refund	22	(4.64)	(2.67)
Fair value gain on other investments at FVTPL	22	(10.71)	-
Foreign currency translation reserve actualized	22	(16.36)	-
Operating profit / (loss) before working capital changes		492.62	(865.87)
Movement in working capital:			
(Increase) / decrease in trade receivables		(115.84)	(104.66)
(Increase) / decrease in inventories		(125.66)	(137.68)
(Increase) / decrease in other financial assets		43.74	(99.64)
(Increase) / decrease in other assets		(71.54)	(33.90)
Increase / (decrease) in trade payables		178.09	30.90
Increase / (decrease) in other financial liabilities		86.00	286.31
Increase / (decrease) in other current liabilities		44.21	44.19
Increase / (decrease) in contract liabilities		(63.13)	7.48
Increase / (decrease) in provisions		123.41	58.60
Cash generated from / (used in) operations		591.90	(814.27)
Taxes paid (net of refunds)		(46.32)	(41.48)
Net cash generated from / (used in) operating activities (A)		545.58	(855.75)
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment		11.78	2.58
Purchase of property, plant and equipment and other intangible assets		(121.36)	(89.82)
Investment in compulsorily convertible preference shares of Karban Envirotech Private Limited		-	(10.00)
Investment in joint venture		(34.34)	-
Investment in bank fixed deposits		(7,745.19)	(8,234.86)
Investment in corporate fixed deposits		(3,800.93)	(3,925.00)
Proceeds from maturity of bank fixed deposits		8,076.44	6,225.53
Proceeds from maturity of corporate fixed deposits		3,070.00	5,105.00
Purchase of mutual funds		(1,693.94)	(3,204.32)
Proceeds from sale of mutual funds		1,648.30	3,394.97
Purchase of debt instruments - NCDs and ZCBs		(4,819.91)	(2,904.62)
Proceeds from maturity of debt instruments - NCDs and ZCBs		2,333.62	3,760.66
Interest received on bank fixed deposits		455.36	256.55
Interest received on corporate fixed deposits		249.61	382.69
Interest received on debt instruments - NCDs and ZCBs		376.05	194.65
Net cash generated from / (used in) investing activities (B)		(1,994.51)	954.01
Cash flow from financing activities			
Proceeds from partly paid-up equity shares called during the year		1,932.53	-
Proceeds from issue of equity shares (including securities premium)		1.06	-
Share issue expense		-	(5.86)
Interest on income tax refund		4.64	2.67
Payment towards partner incentivisation plan		-	(1.50)
Interest paid on lease liabilities	31	(104.75)	(92.00)
Repayment of lease liabilities	31	(194.64)	(202.37)
Net cash generated from / (used in) financing activities (C)		1,638.84	(299.06)
Net (decrease) in cash and cash equivalents (A+B+C)		189.91	(200.80)

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

Consolidated Statement of Cash flows for the year ended 31 March, 2025

(All amounts in INR Millions, unless otherwise stated)

	Note	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Effect of exchange rate changes on cash and cash equivalents		(0.52)	0.18
Cash and cash equivalents at the beginning of the year	12	421.58	622.20
Cash and cash equivalents at the end of the year		610.97	421.58
Reconciliation of cash and cash equivalent as per the cash flows statement			
Cash and cash equivalents as per above comprise of following			
Balance with banks - in current accounts	12	271.62	421.58
Deposits with original maturity of less than or equal to 3 months	12	339.35	-
Balance as per statement of cash flows		610.97	421.58
Non-cash investing and financing transaction, if any			
Acquisition of right-of-use assets	3(b)	458.67	270.44

The above consolidated statement of cash flows should be read in conjunction with notes.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E300009

For and on behalf of the Board of Directors of

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Abhishek Rara

Partner

Membership No. 077779

Date: 05 June, 2025

Place: Gurugram

Abhiraj Singh Bhal

Chairperson, Managing Director and

Chief Executive Officer

DIN: 07005253

Date: 05 June, 2025

Place: Gurugram

Varun Khaitan

Executive Director and

Chief Operating Officer

DIN: 07005033

Date: 05 June, 2025

Place: Gurugram

Abhay Krishna Mathur

Chief Financial Officer

Date: 05 June, 2025

Place: Gurugram

Sonali Singh

Company Secretary and

Compliance Officer

Membership No. A26585

Date: 05 June, 2025

Place: Gurugram

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

General information

These Consolidated Financial Statements comprise the financial statements of Urban Company Limited (Formerly known as Urbanclap Technologies India Private Limited and Urbanclap Technologies India Private Limited) hereinafter referred to as the ("Holding Company" or "the Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), its Joint Venture and Trusts, as at and for the year ended 31 March, 2025.

The Group is primarily engaged in the business of providing an e-commerce platform through its online portal (www.urbancompany.com) and its mobile application (the "UC App") thus enabling the customers registered on its platform to search and hire service professionals for their household & beauty needs. The Group sells products to these service professionals used for rendering services. The Group also sells home appliances under the Native brand to consumers

The registered office of the Holding Company is situated at Unit No. 08, Ground Floor, Rectangle 1, D4, Saket District Centre New Delhi, South Delhi, 110017, India and its corporate office is located at 7th Floor, GoWork, Plot No 183, Udyog Vihar, Phase I, Sector 20, Industrial Complex, Dundaheera, Haryana, 122016, India.

Pursuant to the Board resolution dated 21 January, 2025 and the Shareholders' resolution dated 31 January, 2025, the Holding Company approved its conversion into a public limited company in terms of the relevant provisions of the Companies Act, 2013, and the rules made thereunder. Upon conversion, name of the Holding Company was changed from "Urbanclap Technologies India Private Limited" to "Urbanclap Technologies India Limited" and a fresh certificate of incorporation dated 13 February, 2025 was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana situated at New Delhi, India ("ROC"). Further, pursuant to a subsequent board resolution dated 19 February, 2025 and a special resolution dated 18 March, 2025 passed by the Shareholders, the name of the Holding Company was changed to "Urban Company Limited" consequent upon which, a fresh certificate of incorporation dated 02 April, 2025 was issued by the ROC.

These Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Board of Directors on 05 June, 2025.

1. Summary of Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

(i) Compliance with Indian Accounting Standards and basis of preparation

These Consolidated Financial Statements of the Holding Company and its subsidiaries ('the Group') have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) prescribed under Section 133 of the Companies Act, 2013 (the "Act"), which have been approved by the Board of Directors at their meeting held on 05 June, 2025.

The Consolidated Financial Statements, and the Notes are presented in Indian Rupee (INR) which is the functional currency of the Holding Company. All amounts have been rounded off to two decimal places to the nearest million, except earnings per share unless otherwise stated.

(ii) Historical cost convention

The Consolidated Financial Statements have been prepared on the historical cost convention on the accrual basis, except for the following which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- Defined employee benefit plans- measured at fair value; and
- Share based payments.

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs has amended the Companies (Indian Accounting Standard) Rules, 2015 via notifications dated August 12, 2024, September 09, 2024 and 28 September 2024, to introduce the new Ind AS 117 i.e. "Insurance Contracts" and amended the Ind AS 116 i.e. Leases, respectively. Both are effective from April 01, 2024.

This new standard and the aforesaid amendment did not have any material impact on the amounts recognized and are not expected to significantly affect the current or future years.

b. Revenue recognition

The Group generates revenue from providing an online/mobile app marketplace which enables the end users registered on its platform, to search and hire service professionals for their household needs. The Group also earns revenue from subscriptions, sale of traded goods to service professionals, sale of goods under single brand retail trade and other ancillary services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated towards that performance obligation. The transaction price of goods sold, and services rendered is net of any taxes collected from customers, which are remitted to government authorities and discounts and rebates offered by the Group. The transaction price is an amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services.

The Group's revenues from rendering of services are categorized into 'Platform related services' and 'Customer membership and other services.

Critical judgements involved in revenue recognition:

Platform services and transactions

The Group has separate contractual arrangements with the end users and the service professionals, respectively, which specify the rights and obligations of each of the parties. An end user initiates the transaction which requires acceptance from the service professionals. The acceptance of the transaction, combined with the contractual agreement, creates enforceable rights and obligations for each of the parties.

Principal vs. agent - Service revenue

Judgement is required in determining whether we are the principal or agent in transactions with service professionals and end users. The Group evaluates the presentation of revenue on a gross or net basis based on whether the Group control the service provided and is legally responsible for fulfilling the promise to the end user acting as the principal (i.e. "gross"), or the Group arranges for other parties to provide the service to the end user and act as an agent (i.e. "net"). This determination also impacts the presentation of incentives provided to service professionals to the extent they are not customers.

The Group acts as an agent wherein fulfilment of the services is the responsibility of a service professional; accordingly, the gross order value is not recognized as revenue, only the convenience and platform fee to which the Group is entitled is recognized as revenue.

The Group also acts as principal service provider in the following cases:

- The Group (through its subsidiary, Handy Home Private Limited) provides pest control and wall décor services to customers.
- The Group acts as a service provider in the Kingdom of Saudi Arabia (through its subsidiary, Urban Company Arabia for Information Technology).

In both these cases, the Group recognizes revenue for 100% of the contract price net of discounts, rebates and incentives provided to the customers.

Identification of the customer

The Group considers a party to be a customer if that party has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange of consideration. Based on the terms of use and substance of the arrangement, the end users are considered customers of the Group for the convenience fee and platform fee, memberships sold, sale of goods under Native and other charges levied. The service professionals are considered as customers to the extent of subscription purchased by the service professional, payment facilitation fees and other charges and sale of traded goods used in rendering of services.

Platform services and transactions

The Group has separate contracts with the end user and the service professionals respectively which specify the rights and obligations of each of the parties. An end user initiates the transaction which requires acceptance from the service professionals. The acceptance of the transaction, combined with the contractual agreement, creates enforceable rights and obligations for each of the parties.

Platform and related services

- **Convenience and platform fee**
Income generated from end users for use of its platform related services is recognized when the transaction is completed as per the terms of the arrangement with the end user, being the point at which the Group has no remaining performance obligation.
- **Subscription revenue**
Revenues from subscription contracts are recognized over the contract period on a systematic basis in accordance with the terms of agreement entered with service professionals. Such subscription revenue includes contracts with service professionals, wherein the Group assures certain minimum

business to subscribed service professional over the contract period. In these cases, the revenue is recognized when both the conditions of the contract period and minimum business for the subscribed service professional are achieved.

Customer membership and others

- **Membership revenue**

Revenues from end user membership are recognized over the contract period on a systematic basis in accordance with the terms of agreement entered with the customer.

- **Payment Facilitation Fees**

The Group generates revenue on account of payment facilitation fees from service professionals to be levied for facilitating the collection and remittance of payment from the end user to the service professional. Payment facilitation fee is recognized when the transaction is completed as per the terms of the arrangement with the service professional, being the point at which the Group has no remaining performance obligation.

Sale of products

- **Sale of goods - Native**

The Group sells goods to the end users under the 'Native' brand via their own app/ website/ retail store and consignment intermediaries. Revenue from the sale of goods is recognized at a point in time when the performance obligations are satisfied upon transfer of control in promised goods to the end users i.e., when the goods are delivered to the end user. The Group considers itself as a principal in this arrangement and accordingly, the revenue is recognized at gross value minus reduced by discounts, incentives and other such items offered to the customer and channel margin to consignment intermediaries.

- **Sale of traded goods**

The Group also sells goods to the service professionals which are used by the service professional for rendering services on the platform. Revenue from the sale of traded goods is recognized at a point in time when the performance obligations are satisfied upon transfer of control in promised goods to the service professionals i.e., when the traded goods are delivered to the service professionals. The Group considers itself as principal in this arrangement, and accordingly the revenue is recognized at sale value minus variable considerations such as discounts, incentives and other such items offered to the service professionals.

Discounts, wallet balance, credits and other incentives

The Group provides various types of incentives to the end users to promote transactions on its platform. These payments are generally in the nature of discount coupons, cash credits, wallet balances etc. which are applied against the transaction price. These incentives are recorded as a reduction to the convenience and platform fee revenue on a transaction-by-transaction basis. Payments in excess of the revenue earned from the end users at an individual transaction level are recorded as sales promotion expenses. These include payment to end users where the Group is not responsible for the delivery of services and are given at the Group's discretion to compensate for any service delivery concerns raised by these end users.

The Group also pays certain incentives to the service providers in arrangements where such service providers are not determined to be 'customers' considering the contracts with such service providers and end users. In such scenarios, the incentives are recorded as an expense under 'Incentive to service professionals.'

Contract liabilities

The Group recognizes a contract liability for an obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. This includes advances received from the service provider and end users for the future purchase of traded goods / Native products and towards subscription/membership purchased.

c. Other income

Profits on sale of mutual funds and the fair value impact on mark-to-market contracts are recognized upon transaction completion and/or on the reporting date, as applicable.

Interest income is recognized using an effective interest method or time-proportion method, based on rates implicit in the transaction.

Dividend income is recognized when the Group's right to receive dividend is established.

d. Property, plant & equipment

All items of property, plant & equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is recognized on a straight-line basis over the estimated useful lives net of residual values. The estimated useful lives, residual values and depreciation method are reviewed at the end of each financial year, with the effect of any changes in estimate accounted for on a prospective basis.

Estimated useful lives of the assets are as follows:

Assets category	Estimated useful life
Computers End User Products	3 years
Plant and Machinery *	2-5 years
Office Equipment	5 Years
Furniture and Fittings	10 years
Computer Server & Network	6 years
Electrical equipment and installation	10 years

*Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets. Hence, the useful life for these assets is different from the useful lives as described under Part C of Schedule II of the Companies Act, 2013.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the Group expects to use the assets beyond the lease term.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each financial year.

Depreciation on additions/ disposals is provided on a pro-rata basis i.e., from/ up to the date on which asset is ready for use/ disposed off.

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

e. Impairment of tangible and intangible assets other than goodwill

At the end of each financial year, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal/ external factors.

f. Leases

Group as a lessee

As a lessee

The Group's lease asset primarily consist of leases for buildings. At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

Right-of-use assets

The right-of-use asset is 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 tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

Lease liabilities

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

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

g. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

Financial assets other than trade receivable and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss which are recognized immediately in the Consolidated Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Consolidated Statement of Profit and Loss. Regular way purchase and sale of financial assets are accounted for at trade date.

Financial assets

Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets classified at amortised cost comprise trade receivables, security deposits, recoverable from payment gateways and service providers, investments in non-convertible debentures, zero coupon bonds and fixed deposits.

Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

- equity investments that are held for trading, and equity investments for which the entity has not elected to recognize fair value gains and losses through OCI – such as investment in the compulsorily convertible preference shares of Vivish Technologies Private Limited and Karban Envirotech Private Limited.

h. Share based payments

Employees of the Group receive remuneration in the form of equity-settled instruments for rendering services over a defined vesting period. Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date using an appropriate valuation model.

The Holding Company has the Employee Stock Option Plan ("ESOP 2015") and the Employees Restricted Stock Unit Plan (RSU) subsequently renamed as "Employee Stock Option Plan, 2022" ("ESOP 2022"), for eligible employees of the Group which entitles the employee to receive equity instruments of the Holding Company, provided the specified vesting conditions are met and is classified as 'Equity-settled share based payments'.

The fair value determined at the grant date of the equity-settled share based payments is expensed over the vesting period on a straight-line basis, based on the Groups estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each financial year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve. Also refer note 15 and 33.

i. Segment reporting

Operating segments are those components of the business whose operating results are regularly reviewed by the Chief Operating Decision Making body (CODM) in the Group to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. The board of directors of the Holding Company has been identified as CODM.

The identified reporting segments of the Group are as below:

- **India consumer services** - This segment covers results from operating an online marketplace which helps registered customers to search for and hire registered service professionals for their household service needs. This segment also covers results from the sale of products, tools and consumables sold to service professionals for use during service delivery on the platform. This segment covers only India operations.
- **Native** - This segment covers results from the sale of Native branded products to customers.
- **International business** - This segment covers results from operating an online marketplace which helps registered customers to search for and hire registered service professionals for their household service needs. This segment covers results from business operations outside India.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to any reporting segment have been allocated to the respective segments based on the number of deliveries or number of employees or gross margin wherever deemed fit and as reviewed by CODM. Also refer note 41 regarding details about the reportable segments of the Group.

j. Deferred tax assets

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Consolidated Financial Statements and the corresponding tax bases used in the computation of taxable profit/(Loss). Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences and carry forward losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and carry forward losses can be utilized. Deferred tax is not recognized if it arises from the initial recognition of assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each financial year 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 recovered. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates (and laws) that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

k. Employee benefits

(i) Short-term employee benefits

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

(ii) Defined contribution plan

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

(iii) Defined benefit plan

The Holding Company and its Indian subsidiary operates a defined benefit gratuity plan in India. The Holding Company and its Indian subsidiary's liabilities under The Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

(iv) Employees' end-of-service benefit

The foreign subsidiaries provide end of service benefits to its employees in accordance with labour laws of their respective countries. The entitlement to these benefits is usually based upon the employees' final salary and length of service, subject to the completion of a minimum service period as stipulated in the labour laws. The expected costs of these benefits are accrued over the period of employment. The provision relating to end of service benefits is classified as a non-current and current liability based upon actuarial valuation.

(v) Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulated compensated absences and utilize them in future years or receive cash at retirement or termination of employment. The Group presents the entire leave as a current liability in the Balance Sheet, since it does not have any unconditional right to defer its settlement for twelve months after the reporting date.

2. (a) Summary of other accounting policies

(i) Trade payables

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

(ii) Provisions

Provisions for expenses

Provisions for expenses are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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

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

Provision for warranty

The Group typically provides warranties for products sold under Native which covers repairs of defects that existed at the time of the sale and services for two years from the sale of goods. These assurance type warranties are accounted for under the Ind AS 37 - *Provisions, Contingent Liabilities and Contingent Assets*.

Warranty provisions are determined based on the current year's percentage of warranty expense to the sale of the same types of goods for which the warranty is currently being determined. The same percentage to the sale is applied for the current accounting year to derive the warranty expense to be accrued. It is adjusted to account for unusual factors related to the goods that were sold, such as defective inventory lying at the dealers/e-commerce.

The warranty claims may not exactly match the historical warranty percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.

(iii) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of

resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Group does not recognize a contingent liability but discloses its existence in the financial statements.

(iv) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and costs necessary to make the sale.

Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Obsolete and defective inventory are duly provided for, basis management estimates.

(v) Income Tax

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

The current tax is calculated using tax rates that have been enacted or substantially enacted by the end of the financial year.

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate based on amounts expected to be paid to the tax authorities.

Current tax and deferred tax relating to items recognized outside the Statement of Profit and Loss are recognized outside the Statement of Profit and Loss (either in OCI or in equity). Current tax and deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

(vi) Financial instruments

Financial assets

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and measurement of financial instruments

Financial assets at Amortised Cost

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. EIR amortisation is included in other income in the Consolidated Statement of Profit and Loss.

The losses arising from impairment are recognized in the Consolidated Statement of Profit and Loss. This category generally applies to investment in redeemable preference shares, loans to employees, trade and other receivables.

Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

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

Financial assets at FVTPL are measured at fair value at the end of each financial year, with any gains or losses arising on remeasurement recognized in the Consolidated Statement of Profit and Loss. The net gain or loss recognized in the Consolidated Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

The Group subsequently measures all equity investments at fair value. Where the 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 the Consolidated Statement of Profit and Loss following the derecognition of the investment.

Dividends from such investments are recognized in the Consolidated Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Impairment of financial assets

The Group applies the Expected Credit Loss ("ECL") model for recognizing impairment loss on financial assets measured at amortised cost, debt instruments, trade receivables, other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

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

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

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

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

Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Upon derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in the Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Consolidated Statement of Profit and Loss upon disposal of that financial asset.

Upon derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in the Consolidated Statement of Profit and Loss if such gain or loss would have otherwise been recognized in the Consolidated Statement of Profit and Loss upon disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

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

A financial liability is classified as held for trading if:

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

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in the Consolidated Statement of Profit and Loss. The net gain or loss recognized in the Consolidated Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The net gain or loss arising on embedded derivative (i.e. equity linked interest payments) measured at FVTPL is recognized as 'Finance costs'.

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

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Consolidated Statement of Assets and Liabilities where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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.

(vii) Earnings per share

a) Basic earnings per share

Basic earnings per share are calculated by dividing:

- the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes)
- by the weighted average number of equity shares outstanding during the year including exercisable options under employee stock option scheme.

b) Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding, assuming the conversion of all dilutive potential equity shares.

(viii) Foreign currency translation

a) Functional and presentation currency

The items included in the Consolidated Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (that is, functional currency'). The Consolidated Financial Statements are presented in INR, which is the Holding Company's functional and presentation currency.

b) Transactions and balances

Transactions in foreign currency are recorded applying the exchange rate at the date of transaction. Monetary assets and liabilities denominated in foreign currency, remaining unsettled at the end of the year, are translated at the closing exchange rates prevailing on the Balance Sheet date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of Profit and Loss.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognized in Other Comprehensive Income (OCI) or the Statement of Profit and Loss are also reclassified in OCI or the Statement of Profit and Loss, respectively).

c) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of that balance sheet
- Equity balances are translated at the historical exchange rate
- Income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognized in other comprehensive income.

Upon consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognized in other comprehensive income (OCI). When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

(ix) Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries include all the entities over which the Group has control directly or indirectly together with one or more of its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the years are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group members' statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies. The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company.

The consolidated financial statements of the Group combine financial statements of the Holding Company and its subsidiaries line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealized profits/losses on intra-group transactions are eliminated on consolidation.

b) Joint arrangements

Under Ind AS 111, Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Interests in joint ventures are accounted for using the equity method see (iii) below), after initially being recognized at cost in the consolidated balance sheet.

c) Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in the profit and loss of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of other equity.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the equity accounted investees have changed where necessary to ensure consistency with the policies adopted by the Group.

(x) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, 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.

(xi) Employee benefits

a) Defined benefit plan and Employees' end-of-service benefit

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India and UAE, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specified countries. Those mortality tables tend to change only at certain intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

This cost is included in the 'Employee benefits expense' in the Statement of Profit and Loss. Remeasurement gains or losses and return on plan assets (excluding amounts included in net Interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognized in the year in which they occur, directly in OCI. These are presented as remeasurement gains or losses on defined benefit plans under other comprehensive income in other equity. Remeasurements gains or losses are not reclassified subsequently to the Statement of Profit and Loss.

b) Compensated absences

The Group records an obligation for compensated absences in the year in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the financial year. The Group recognizes accumulated compensated absences based on actuarial valuation in the Statement of Profit and Loss.

(xii) Impairment of tangible and intangible assets other than goodwill

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations, including impairment on inventories, are recognized in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of profit or loss.

(xiii) Recoverable from payment gateways

'Remittance in transit,' which represent amount collected from customers through payment gateways via credit card / debit cards / UPI / Wallets / net banking, and not yet settled by them are classified as other financial assets.

(xiv) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects the Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognized initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

(xv) Current versus non-current classification

The Group presents assets and liabilities in the Consolidated Statement of Assets and Liabilities based on current/ non-current classification. An asset is treated as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle, or
- b) Held primarily for the purpose of trading, or
- c) Expected to be realized within twelve months after the financial year, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the financial year.

All other assets are classified as non-current assets.

A liability is treated as current when it is:

- a) It is expected to be settled in a normal operating cycle, or
- b) It is held primarily for the purpose of trading, or
- c) It is due to be settled within twelve months after the financial year, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the financial year.

All other liabilities are classified as non-current liabilities.

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

The operating cycle of an entity is the time between the acquisition of assets for processing and their realization in the form of cash or cash equivalents. Where the entity's normal operating cycle is not clearly identifiable, its duration is assumed to be 12 months.

2. (b) Significant accounting judgements, estimates and assumption

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustment to the carrying amount of assets or liabilities affected in future years.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial year, are described below:

- a. The company based its assumptions and estimates on parameters available when the standalone financial statement were prepared.
- b. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Principal vs. agent

As disclosed in Note 1(b), the Group has separate contractual arrangements with the end users and the service professionals respectively which specify the rights and obligations of each of the parties. An end user initiates the transaction which requires acceptance from the service professionals. The acceptance of the transaction, combined with the contractual agreement, creates enforceable rights and obligations for each of the parties. The Group charges convenience and platform fee from the end user for which the Group considers itself as an agent for convenience and platform fees. However, the Group also provides pest control services to the end users through its subsidiary, for which the Group considers itself as principal for providing the pest control services.

Identification of the customer

As disclosed in Note 1(b), the Group considers a party to be a customer if that party has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange for consideration. Based on the terms of use and substance of the arrangement, the end users (rather than the service professionals) are considered customers of the Group for the convenience fee and platform fee.

Discounts and other incentives

As disclosed in Note 1(b), the Group provides incentives to its end user users in various forms including credits and direct payment discounts to promote traffic on its platform. All incentives given to the end users where the Group is responsible for providing the platform to hire service professionals are recorded as a reduction of revenue to the extent of the revenue earned from that end user on a transaction-by-transaction basis. The amount of incentive in excess of the revenue earned from the transacting users is recorded as sales promotion expense.

Deferred tax recognition

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Group will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

Fair value measurement of financial instruments

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

Share based payment

Estimating fair value for share based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility, dividend yield, forfeiture rate and making assumptions about them. The assumptions and models used for estimating fair value for share based payment transactions are disclosed in note 33.

Determination of Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Most extension options in office leases have been included in the lease liability, because the Group could not replace the assets without significant cost or business disruption.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances. Also refer to note 31.

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

3(a) Property, plant and equipment

	Computers	Servers and Network Equipment	Electrical Installation	Plant and Machinery	Furniture and Fixtures	Office Equipment	Leasehold Improvement	Vehicles	Total
Gross carrying amount									
As at 01 April, 2023	185.27	16.27	5.47	48.68	14.89	47.71	54.83	-	373.12
Additions	14.90	4.11	1.29	28.04	4.55	6.97	34.49	1.61	95.96
Disposals	(30.40)	(0.15)	(0.06)	(3.92)	(2.94)	(6.38)	(7.28)	(1.62)	(52.75)
Exchange difference	0.03	0.03	-	*	0.08	0.04	0.31	0.01	0.50
As at 31 March, 2024	169.80	20.26	6.70	72.80	16.58	48.34	82.35	-	416.83
Additions	25.07	-	-	7.09	2.40	6.61	73.20	-	114.37
Disposals	(25.42)	(1.18)	(0.13)	(26.83)	(3.22)	(3.08)	(5.53)	-	(65.39)
Exchange difference	0.28	0.04	0.01	(0.01)	0.28	0.15	0.76	-	1.51
As at 31 March, 2025	169.73	19.12	6.58	53.05	16.04	52.02	150.78	-	467.32
Accumulated depreciation									
As at 01 April, 2023	108.94	8.97	2.23	16.20	3.41	17.68	12.56	-	169.99
Charge for the year (refer note 27)	49.61	2.60	0.57	20.16	1.62	8.88	33.48	0.06	116.98
Disposals	(28.56)	(0.14)	(0.03)	(3.07)	(1.78)	(5.58)	(5.44)	(0.06)	(44.66)
Exchange difference	0.01	0.01	-	-	*	0.01	0.09	-	0.12
As at 31 March, 2024	130.00	11.44	2.77	33.29	3.25	20.99	40.69	-	242.43
Charge for the year (refer note 27)	31.82	2.52	0.62	7.72	1.66	8.76	50.73	-	103.83
Impairment loss (refer note 28)	-	-	-	22.34	-	-	-	-	22.34
Disposals	(22.92)	(0.59)	(0.07)	(23.43)	(0.65)	(1.62)	(3.00)	-	(52.28)
Exchange difference	0.14	-	0.01	-	0.03	0.06	0.48	-	0.72
As at 31 March, 2025	139.04	13.37	3.33	39.92	4.29	28.19	88.90	-	317.04
Net carrying amount									
As at 31 March, 2024	39.80	8.82	3.93	39.51	13.33	27.35	41.66	-	174.40
As at 31 March, 2025	30.69	5.75	3.25	13.13	11.75	23.83	61.88	-	150.28

* Amount less than INR 0.01 Million

3(b) Right-of-use assets

	Buildings
Gross carrying amount	
As at 01 April, 2023	1,362.23
Additions	270.44
Disposals	(237.55)
Exchange difference	0.21
As at 31 March, 2024	1,395.33
Additions	458.67
Disposals	(290.37)
Exchange difference	1.85
As at 31 March, 2025	1,565.48
Accumulated depreciation	
As at 01 April, 2023	364.71
Charge for the year (refer note 27)	248.12
Disposals	(209.43)
Exchange difference	0.06
As at 31 March, 2024	403.46
Charge for the year (refer note 27)	264.77
Disposals	(222.32)
Exchange difference	0.99
As at 31 March, 2025	446.90
Net carrying amount	
As at 31 March, 2024	991.87
As at 31 March, 2025	1,118.58

4 Intangible assets

	Software
Gross carrying amount	
As at 01 April, 2023	17.66
Exchange difference	0.03
As at 31 March, 2024	17.69
Exchange difference	(1.53)
As at 31 March, 2025	16.16
Accumulated amortisation	
As at 01 April, 2023	12.43
Amortisation expense during the year (refer note 27)	2.89
Exchange difference	0.01
As at 31 March, 2024	15.33
Amortisation expense during the year (refer note 27)	1.36
Exchange difference	(1.34)
As at 31 March, 2025	15.35
Net carrying amount	
As at 31 March, 2024	2.36
As at 31 March, 2025	0.81

5 Investments**Non-current assets****(A) Investment in Equity Instruments (measured at fair value through profit or loss)**

Equity shares of Vivish Technologies Private Limited - Unquoted

(31 March, 2025 - 1; 31 March, 2024 - 1, equity share of face value ₹ 10 each)

*

*

Compulsorily convertible preference shares of Vivish Technologies Private Limited - Unquoted

(31 March, 2025 - 119,061; 31 March, 2024 - 119,061 shares of face value ₹ 100 each)

507.67

500.00

Compulsorily convertible preference shares of Karban Envirotech Private Limited - Unquoted

(31 March, 2025 - 3,364; 31 March, 2024 - 3,364 shares of face value ₹ 10 each)

13.04

10.00

(B) Investment in Debt Instruments

Investment in non-convertible debentures (NCDs) (measured at amortized cost) - Quoted

-

366.22

Investment in zero coupon bond (ZCBs) (measured at amortized cost) - Quoted

-

209.38

Investment in corporate fixed deposits (measured at amortized cost) - Unquoted

1,150.00

850.00

(C) Investment in Joint Venture (measured using equity method)

Equity shares of Company Waed Khadmat Al-Munzal - Unquoted

(31 March, 2025 - 500,000; 31 March, 2024 - Nil, equity shares of face value SAR 1 each)

11.25

-

Capital contribution

23.09

-

Less: Share of loss recognized**

(34.34)

-

Total non-current investments**1,670.71****1,935.60**

(i) Aggregate amount of unquoted investments

1,670.71**1,360.00**

(ii) Aggregate amount of quoted investments

-

575.60

* Amount less than INR 0.01 Million.

** Aggregate investment in the Joint Venture as at 31 March, 2025, for ₹ 34.34 Million (consisting of equity share capital of ₹ 11.25 Million and capital contribution of ₹ 23.09 Million) has been reduced to nil as the share of losses during the year (₹ 86.48 Million) is higher than the amount of investment in the Joint Venture. A liability has been recognized towards the remaining amount of loss from Joint venture for ₹ 52.14 million (refer note 17).

Current assets**(A) Investment in Debt Instruments**

Investment in non-convertible debentures (NCDs) (measured at amortized cost) - Quoted

5,216.72

2,339.86

Investment in zero coupon bond (ZCBs) (measured at amortized cost) - Quoted

226.19

46.25

Investment in mutual funds (measured at fair value through profit or loss) - Quoted

296.10

230.30

Investment in corporate fixed deposits (measured at amortized cost) - Unquoted

3,500.93

3,070.00

Total current investments**9,239.94****5,686.41**

(i) Aggregate amount of unquoted investments

3,500.93**3,070.00**

(ii) Aggregate amount of quoted investments and market value thereof

5,739.01**2,616.41****6 Other financial assets****(measured at amortised cost)****Non-current**

Security deposits

As at
31 March, 2025As at
31 March, 2024

89.48

74.32

89.48**74.32**

7 Other financial assets

(measured at amortised cost)

Current

Security deposits

Interest accrued on deposits

Recoverable from payment gateways*

Recoverable from service providers

Recoverable from Joint Venture (refer note 38)

Deposits with original maturity for more than 12 months

Others**

Current (considered doubtful)

Recoverable from service providers

Less: Allowance for doubtful recoveries

	As at 31 March, 2025	As at 31 March, 2024
Security deposits	19.12	33.62
Interest accrued on deposits	337.80	332.68
Recoverable from payment gateways*	210.24	285.80
Recoverable from service providers	39.66	46.87
Recoverable from Joint Venture (refer note 38)	35.80	-
Deposits with original maturity for more than 12 months	-	836.99
Others**	4.61	16.39
	647.23	1,552.35
Current (considered doubtful)		
Recoverable from service providers	18.70	12.92
Less: Allowance for doubtful recoveries	(18.70)	(12.92)
	-	-
	647.23	1,552.35

* This amount has been paid by the end customers and service providers and is pending to be settled by payment gateways as on the reporting date.

** Includes unbilled recoverable from Joint Venture for ₹ 2.21 million (refer note 38).

Movement in allowance for doubtful recoveries:**At the beginning of the year**

Add: Charged to the Consolidated Statement of Profit and Loss (refer note 28)

Less: Provision utilized during the year

At the end of the year

	As at 31 March, 2025	As at 31 March, 2024
At the beginning of the year	12.92	13.43
Add: Charged to the Consolidated Statement of Profit and Loss (refer note 28)	5.78	(0.51)
Less: Provision utilized during the year	-	-
At the end of the year	18.70	12.92

8 Other non-current assets

Balances with government authorities

- Advance tax

- GST paid under protest

	As at 31 March, 2025	As at 31 March, 2024
Balances with government authorities		
- Advance tax	147.83	101.51
- GST paid under protest	1.13	-
	148.96	101.51

9 Other assets**Current (unsecured, considered good)**

Prepaid Expenses

Goods and Services Tax credit recoverable

Advance to vendors

Other advances*

	As at 31 March, 2025	As at 31 March, 2024
Prepaid Expenses	65.81	52.43
Goods and Services Tax credit recoverable	32.59	60.08
Advance to vendors	94.32	50.29
Other advances*	42.56	3.30
	235.28	166.10

*During the year ended 31 March, 2025, the Holding Company has incurred expenses to the extent of ₹ 37.22 Million towards the proposed Initial Public Offering ("IPO") of its equity shares and the qualifying expenses attributable to the proposed issue of equity shares have been recognized as deferred share issue expenses. The Holding Company expects to recover certain amounts from the selling shareholders and the balance amount will be adjusted against securities premium account in accordance with Section 52 of the Companies Act, 2013 upon the shares being issued.

10 Inventories

(At lower of cost and net realizable value)

Traded goods

Consumables

Less: Provision for bad/obsolete inventory

	As at 31 March, 2025	As at 31 March, 2024
Traded goods	505.89	351.05
Consumables	1.06	2.93
Less: Provision for bad/obsolete inventory	(92.10)	(64.79)
	414.85	289.19

The cost of inventories recognized as expense as a result of write down to net realizable value amounted to ₹ 27.31 Million during the year ended 31 March, 2025 (31 March, 2024 ₹ 17.28 Million). This expense is included in the change in inventories of stock-in-trade (refer note 24) in the Consolidated Statement of Profit and Loss.

11 Trade receivables

	As at 31 March, 2025	As at 31 March, 2024
Trade receivables considered good	343.32	250.85
Trade receivables - credit impaired	37.31	37.31
Less: Loss allowance on trade receivables	(114.65)	(87.52)
	265.98	200.64

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

Expected credit loss for trade receivables under simplified approach

	As at 31 March, 2025	As at 31 March, 2024
Gross carrying amount – trade receivables	380.63	288.16
Loss allowance on trade receivables	(114.65)	(87.52)
Carrying amount of trade receivables (net)	265.98	200.64

Trade receivables ageing schedules for the year(s) ended 31 March, 2025, and 31 March, 2024:

Outstanding as at March, 2025 for the following periods from the invoice date*						
	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	270.24	39.22	29.61	3.27	0.98	343.32
credit impaired	-	-	-	9.63	27.68	37.31
(ii) Disputed trade receivables						
considered good	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	270.24	39.22	29.61	12.90	28.66	380.63

*For the purposes of presentation of the ageing schedule, the invoice date has been considered as the due date by the Group. Accordingly, there are no "not due" invoices as at 31 March, 2025.

Outstanding as at 31 March, 2024 for the following periods from the invoice date*						
	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	190.98	28.29	31.58	-	-	250.85
credit impaired	-	-	9.63	26.94	0.74	37.31
(ii) Disputed trade receivables						
considered good	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	190.98	28.29	41.21	26.94	0.74	288.16

*For the purposes of presentation of the ageing schedule, the invoice date has been considered as the due date by the Group. Accordingly, there are no "not due" invoices as at 31 March, 2024.

12 Cash and cash equivalents

	As at 31 March, 2025	As at 31 March, 2024
Balance with banks - in current accounts	271.62	421.58
Deposits with original maturity less than or equal to 3 months	339.35	-
	610.97	421.58

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting year.

13 Bank balances other than cash and cash equivalents

	As at 31 March, 2025	As at 31 March, 2024
Deposits with original maturity more than 3 months but less than 12 months*	5,295.87	4,790.13
	5,295.87	4,790.13

*Includes as at 31 March, 2025, ₹ 206.99 Million (31 March, 2024: ₹ 196.87 Million), held as lien with banks for assuring guarantees of ₹ 155.00 Million (31 March, 2024: ₹ 155.00 Million) to vendors.

14 Equity Share capital

	Authorised Equity Capital		Issued Equity Capital	
	(Equity shares of face value of ₹ 1 each)		(Equity shares of face value of ₹ 1 each)	
	Number of shares	₹ in Million	Number of shares	₹ in Million
As at 01 April, 2023	240,943	0.24	186,315	0.19
Change during the year	-	-	217	*
As at 31 March, 2024	240,943	0.24	186,532	0.19
Change during the year	2,499,759,057	2,499.76	489,582,257	489.58
As at 31 March, 2025	2,500,000,000	2,500.00	489,768,789	489.77

	Subscribed Equity Capital		Paid-up Equity Capital	
	(Equity shares of face value of ₹ 1 each)		(Equity shares of face value of ₹ 1 each)	
	Number of shares	₹ in Million	Number of shares	₹ in Million
As at 01 April, 2023	185,026	0.19	185,026	0.17
Change during the year	217	*	217	*
As at 31 March, 2024	185,243	0.19	185,243	0.17
Add: Amount paid-up towards stock options exercised during the year	1,060,244	1.06	1,060,244	1.06
Add: Amount called up towards partly paid-up shares during the year	-	-	-	0.02
Add: Issuance of bonus equity shares	488,522,013	488.52	488,522,013	488.52
As at 31 March, 2025	489,767,500	489.77	489,767,500	489.77

* Amount less than INR 0.01 Million.

Notes:

1. Paid-up share capital includes partly paid-up equity share at value of ₹ 0.5 per share. The number of partly paid-up shares as at the year ended 31 March, 2024 was 31,239. These partly paid-up shares were called up during the year ended 31 March, 2025, on account of possibility of upcoming initial public offer as per the agreement with the shareholders.

2. Under the Employee Stock Option Plan, 2015 (ESOP - 2015), the Holding Company issued 10,244 equity shares (31 March, 2024: 217) before bonus issue and 1,050,000 (420 Grants) equity shares after bonus issue to the employees during the year ended 31 March, 2025 .

3. Pursuant to the Board of Directors' approval dated 20 December, 2024, 21 January, 2025, 13 February, 2025 and Shareholders' approval dated 31 January, 2025, respectively, the Holding Company:

(a) Increased the authorised share capital from 240,943 equity shares of ₹ 1 each, to 2,500,000,000 equity shares of ₹ 1 each.

(b) Issued and allotted 488,522,013 bonus shares of INR 1 per share in the ratio 1:2499 per fully paid equity share having face value of INR 1 per share to the existing equity shareholders of the Holding Company in accordance with the provisions of the Companies Act, 2013.

(a) Details of equity shareholders holding more than 5% share capital:

	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	% holding	Number of shares	% holding
Equity Shares				
Abhiraj Singh Bhal	97,762,500	19.96%	50,197	27.10%
Varun Khaitan	97,762,500	19.96%	50,197	27.10%
Raghav Chandra	97,762,500	19.96%	50,197	27.10%
Naspers Ventures B.V., Netherlands	44,585,000	9.10%	-	0.00%
Dharana UC Limited	31,037,500	6.34%	-	0.00%

Note: The Holding Company did not have promoters as at 31 March, 2025 and 31 March, 2024. Abhiraj Singh Bhal, Varun Khaitan and Raghav Chandra have been designated as promoters via the Circular Resolution dated 18 April, 2025.

(b) The Holding Company has only one class of equity shares having a par value of ₹ 1 per share. Shareholders are eligible for one vote per share held in case of fully paid-up shares and up to paid-up value in case of partly paid up shares. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Holding Company, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Share options granted under the Holding Company's employee share option plan

Information relating to the Holding Company's Employee Stock Option Plan, 2015 (ESOP - 2015) and Employee Stock Option Plan, 2022 (ESOP -2022), including details of options issued, exercised and lapsed during the year and options outstanding at the end of the year, is set out in note 33.

15 Other Equity**(A) Instruments entirely equity in nature****Compulsorily Convertible Cumulative Preference Shares (refer note 34)**

As at the beginning of the year

As at the end of the year

As at 31 March, 2025	As at 31 March, 2024
3.83	3.83
3.83	3.83

(B) Reserves and Surplus**Securities premium**

As at the beginning of the year

Add: Premium on partly paid-up equity shares called during the year

Add: Premium on options exercised during the year

Less: Issuance of bonus equity shares

Less: Share issuance expense

As at the end of the year

24,046.90	24,028.17
1,932.51	-
970.29	24.59
(488.52)	-
-	(5.86)
26,461.18	24,046.90

Employee stock options reserve

As at the beginning of the year

Add: Share based payment expense for the year

Less: Options exercised during the year

Less: Liability transferred to employee benefit payable

As at the end of the year

4,588.26	4,124.16
725.70	571.26
(970.29)	(24.59)
-	(82.57)
4,343.67	4,588.26

Partner incentivisation plan reserve

As at the beginning of the year

Add: Partner incentivisation plan expense for the year

Less: Options exercised during the year

Less: Liability transferred to payable to service providers

As at the end of the year

-	18.09
-	26.88
-	(1.50)
-	(43.47)
-	-

Retained earnings

As at the beginning of the year

Add: Profit/(loss) for the year

As at the end of the year

(15,735.23)	(14,807.51)
2,397.65	(927.72)
(13,337.58)	(15,735.23)

(C) Other Comprehensive Income**Remeasurement gains / (losses) on defined benefit plans**

As at the beginning of the year

Add: Gain / (loss) for the year, net of tax

As at the end of the year

(9.74)	(5.88)
(11.39)	(3.86)
(21.13)	(9.74)

Foreign currency translation reserve

As at the beginning of the year

Foreign currency monetary item translation difference account

Foreign currency translation reserve actualized

As at the end of the year

32.22	33.59
2.61	(1.37)
(16.36)	-
18.47	32.22
17,468.44	12,926.24

Nature and purpose of items of other equity:

1 Securities premium: The Securities premium account is used to recognize the premium on issue of shares and is utilized in accordance with the provisions of the Companies Act, 2013.

2 Employee stock options reserve: The Share options reserve account is used to recognize the fair value of options as on the grant date, to employees of the Group, under the Holding Company's employee share option plan. Refer note 33 for further details.

3 Partner incentivisation plan: During the year ended 31 March, 2023, the Holding Company introduced a partner incentivisation plan for partners offering services through the Holding Company's platform. This plan incentivises partners to deliver high quality services to end consumers and encourages long term association with the platform. The plan entitled the eligible partners to receive a fixed cash incentive or equivalent equity shares purchased from other shareholders/ issued by the Holding Company, basis fair value at the vesting date if performance conditions are met, at the discretion of the Holding Company.

During the year ended 31 March, 2024, the Holding Company determined that all incentives under the scheme shall be payable in cash, and reclassified the total liability to 'Payable to service providers' for eligible partners. As such, the Group has fully discharged this liability as at the year ended 31 March, 2025.

4 Instruments entirely equity in nature: The Holding Company has issued certain Compulsory Convertible Cumulative Preference Shares (CCPS) referred above as instruments entirely equity in nature carrying a predetermined cumulative dividend rate of 1% p.a. Each CCPS are convertible at the end of 19 years or converted into Equity Shares pursuant to a Public Offer whichever is earlier. These CCPS will be converted into equity shares in the manner as provided under Articles of Association. The Holding Company has not declared and paid any dividend during the year. Refer note 34 for further details.

5 Pursuant to our Board of Directors' approval dated January 21, 2025 and Shareholders' approval dated January 31, 2025, respectively, the Holding Company has made adjustment to the conversion ratio of the outstanding CCPS to 2,330 equity shares of ₹ 1 each for each CCPS of ₹ 10 each, held by series A to series E compulsorily convertible cumulative preference ("CCPS") shareholders, and 2,500 equity shares of ₹ 1 each for every one CCPS of ₹ 10 each, held by series F CCPS holders.

6 Retained earnings: Retained earnings represent the amount of accumulated earnings/(deficit) of the Group.

7 Other Comprehensive income: Other comprehensive income represents remeasurement losses on defined benefit plans and foreign currency translation reserve.

8 Foreign currency translation reserve: Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

16 Trade payables

	As at 31 March, 2025	As at 31 March, 2024
Dues to micro and small enterprises	149.70	140.27
Dues to others	955.18	786.74
	1,104.88	927.01

Trade payables ageing schedule

	Outstanding as on 31 March, 2025 from the due date					
	Unbilled / Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
(i) Micro and small enterprises	135.20	14.50	-	-	-	149.70
(ii) Others	876.45	73.56	4.74	0.21	0.22	955.18
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	1,011.65	88.06	4.74	0.21	0.22	1,104.88

	Outstanding as at 31 March, 2024 from the due date					
	Unbilled / Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables						
(i) Micro and small enterprises	105.83	34.44	-	-	-	140.27
(ii) Others	686.44	99.77	0.30	0.22	0.01	786.74
Disputed trade payables						
(i) Micro and small enterprises	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-
Total	792.27	134.21	0.30	0.22	0.01	927.01

17 Other financial liabilities

	As at 31 March, 2025	As at 31 March, 2024
Current		
Employee benefits payable	99.13	103.03
Payable to service providers	663.55	622.92
Security deposits from service providers	17.95	23.20
Creditor for capital goods	-	6.99
Amount recovered on behalf of others	2.93	0.28
Liability towards loss from Joint Venture (refer note 5 and 37)	52.14	-
Other liabilities*	147.46	95.59
	983.16	852.01

*Represents wallet balance of the service providers available with the Group as on the reporting date.

18 Contract liabilities

	As at 31 March, 2025	As at 31 March, 2024
Movement in contract liabilities:		
Opening balance	233.84	226.36
Addition	3,163.61	2,921.35
Less: Revenue recognized*	(3,226.74)	(2,913.87)
	170.71	233.84

* Out of the total revenue recognized for the year, revenue recognized from the opening balance for the year ended 31 March, 2025 was ₹ 233.84 Million (31 March, 2024: ₹ 226.36 Million).

Notes:

1. Contract liabilities relates to payments received in advance of performance from customer but services are yet to be rendered on the reporting date either in full or in parts. Contract liabilities are recognized on completion / satisfaction of performance obligation.
2. The Group expects to recognize the revenue for the contract liabilities within one year from the reporting date.

19 Provisions

	As at 31 March, 2025	As at 31 March, 2024
Non-current		
Provision for employee benefits:		
Provision for gratuity* (refer note 32)	188.97	151.64
Provision for warranty	30.48	5.14
	219.45	156.78
Current		
Provision for employee benefits:		
Provision for compensated absence (refer note 32)	39.17	32.49
Provision for gratuity (refer note 32)	35.17	19.64
Provision for warranty	64.64	9.41
	138.98	61.54

*Includes liabilities pertaining to foreign subsidiaries as at the year ended 31 March, 2025, ₹ 18.50 Million (31 March, 2024: ₹ 12.22 Million) towards the United Arab Emirates ("UAE") end of service benefit plan as per the UAE regulations, and ₹ 1.84 Million (31 March, 2024: ₹ 2.82 Million) towards the Kingdom of Saudi Arabia ("KSA") end of service benefit plan as per the KSA regulations.

Movement in warranty provision:

	As at 31 March, 2025	As at 31 March, 2024
At the beginning of the year	14.55	-
Add: Charged to the Consolidated Statement of Profit and Loss (refer note 28)	119.21	17.66
Less: Provision utilized during the year	(38.64)	(3.11)
	95.12	14.55

20 Other current liabilities

	As at 31 March, 2025	As at 31 March, 2024
Statutory dues payable	231.89	187.68
	231.89	187.68

21 Revenue from operations**Revenue from contracts with customers**

Sale of services

Sale of products

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

8,401.69

6,513.17

3,042.96

1,767.01

11,444.65**8,280.18**

Below is the disaggregation of the Group's revenue from contracts with customers:

Revenue from sale of services

Platform related services

Customer membership and others

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

7,424.16

5,600.16

977.53

913.01

8,401.69**6,513.17****Revenue from sale of products**

Native

Products sold to professionals

1,160.23

287.71

1,882.73

1,479.30

3,042.96**1,767.01****Total revenue from contracts with customers****11,444.65****8,280.18**

There is no reconciliation item between revenue recognized and the contracted price.

22 Other income

Fair value gain/(loss) on financial instruments at FVTPL

Mutual funds

Other investments

Net gain on sale of investment

Mutual funds

Interest income on financial assets carried at amortized cost

Bonds and zero coupon bonds

Bank fixed deposits

Corporate fixed deposits

Unwinding of discount on security deposits

Royalty income from associates

Liability no longer required, written back

Net gain on lease modification (refer note 31)

Interest income on income tax refund

Foreign currency translation reserve actualized

Net foreign exchange gain/(loss)

Miscellaneous income

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

(0.27)

0.57

10.71

-

20.43

27.15

370.96

168.89

400.95

356.85

309.14

401.38

8.45

9.72

4.83

-

0.22

12.47

22.00

7.81

4.64

2.67

16.36

-

(7.76)

5.83

1.46

6.39

1,162.12**999.73****23 Purchases of stock-in-trade**

Purchases of traded goods

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

2,253.61

1,427.87

2,253.61**1,427.87****24 Changes in inventories of stock-in-trade**

Opening inventories (net)

Less: Closing inventories (net)

Less: Stock used in internal consumption

Increase in inventories**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

286.26

151.51

(413.79)

(286.26)

-

(0.59)

(127.53)**(135.34)****25 Employee benefits expense**

Salaries, wages and bonus

Contribution to provident and other funds (refer note 32)

Share based payment expense (refer note 33)

Gratuity* (refer note 32)

Staff welfare expenses

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

2,528.13

2,613.06

78.84

72.95

725.70

571.26

71.09

55.11

97.46

135.80

3,501.22**3,448.18**

*Includes expenses pertaining to foreign subsidiaries for the year ended 31 March, 2025, ₹ 6.67 Million (31 March, 2024: ₹ 6.21 Million) towards the UAE end of service benefit plan as per the UAE regulations, and ₹ 1.86 Million (31 March, 2024: ₹ 1.61 Million) towards the KSA end of service benefit plan as per the KSA regulations.

26 Finance costs

Interest on lease liabilities (refer note 31)

For the year ended 31 March, 2025	For the year ended 31 March, 2024
104.75	92.00
104.75	92.00

27 Depreciation and amortisation expense

Depreciation of property, plant and equipment (refer note 3a)

Depreciation of Right-of-use assets (refer note 3b)

Amortisation of intangible assets (refer note 4)

For the year ended 31 March, 2025	For the year ended 31 March, 2024
103.83	116.98
264.77	248.12
1.36	2.89
369.96	367.99

28 Other expenses

Advertisement expenses

Sales promotion expenses

Incentive to service professionals

Software expenses

Freight and warehousing

Cost of services rendered

Payment gateway charges

(Gain)/Loss on disposal of property, plant and equipment (net)

Bandwidth and hosting charges

Training expenses

Communication expenses

Outsourced support expenses

Electricity expenses

Property, plant and equipment written off

Allowance for doubtful recoveries of advance

Advances written off

Allowances for bad and doubtful debts

Bad debts

Legal and professional charges[#]

Lease rent (refer note 31)

Office expense

Rates and taxes

Repairs & maintenance

Recruitment expenses

Travelling expenses

Partner incentivisation plan expense

Donations

Warranty expenses

Bank charges

Impairment of property, plant and equipment

Share issuance expenses

Miscellaneous expenses

For the year ended 31 March, 2025	For the year ended 31 March, 2024
1,727.55	1,731.92
344.28	263.71
754.25	628.39
146.08	114.28
364.68	208.87
474.79	279.75
194.42	170.25
(2.44)	0.67
243.24	203.23
88.92	83.56
65.77	52.22
859.50	625.98
39.04	34.01
3.77	4.85
5.78	(0.51)
1.23	3.23
27.13	3.32
23.37	7.47
215.09	178.21
60.20	66.18
105.84	99.92
30.65	5.97
12.18	11.32
12.87	12.30
132.31	144.14
4.68	26.88
4.00	3.00
119.21	17.66
4.99	3.62
22.34	-
10.00	-
37.03	22.08
6,132.75	5,006.48

#Payment to auditors

- Statutory audit fee (excluding taxes)

- Tax audit fee

- Out of pocket expense

- Other services (Limited review, ODI, half yearly audit and downstream certificate)

8.50	8.50
0.10	0.10
0.73	0.26
6.50	1.20
15.83	10.06

29 Earnings per share (EPS)**Earnings per share**

Net Profit / (Loss) attributable to the equity shareholders

(i) Weighted average number of Equity Shares used as denominator for calculating basic EPS

(ii) Weighted average number of Equity Shares used as denominator for calculating diluted EPS

(i) Basic Earning per share (in ₹ per equity share)

(ii) Diluted Earning per share (in ₹ per equity share)

**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

2,397.65

(927.72)

1,440,865,138

1,406,260,492

1,454,612,638

1,406,260,492

1.66**(0.66)****1.65****(0.66)****Weighted average number of shares used as the denominator:**

Weighted average number of equity shares outstanding (refer note (i) below)

Add: Stock options vested and exercisable at the end of the year

Weighted average number of equity shares used as the denominator in calculating basic EPS

1,366,232,638

1,323,907,992

74,632,500

82,352,500

1,440,865,138**1,406,260,492**

Effect of dilutive issue of stock options (refer note (ii) below)

13,747,500

-

Weighted average number of equity shares used as the denominator in calculating diluted EPS

1,454,612,638**1,406,260,492****Notes:**

i) Includes Compulsorily Convertible Cumulative Preference Shares which are compulsorily convertible into equity shares and exercisable employee stock options. Refer notes 15, 33 and 34.

ii) In view of losses during the year ended 31 March, 2024, the options which are anti-dilutive have been ignored in the calculation of diluted earnings per share. Accordingly, there is no variation between basic and diluted earnings per share for the year ended 31 March, 2024.

30 Deferred tax assets (Net)**a) Consolidated Statement of Profit and Loss****Income tax:**

Current tax

Deferred tax:

Relating to origination and reversal of temporary differences

Total tax expense/(credit)**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

-

0.45

(2,112.12)

-

(2,112.12)**0.45****b) Other comprehensive income****Deferred tax related to items recognized in OCI:**

Deferred tax charge/(credit) on remeasurements of defined benefit plans

Tax expense/(credit) charged to OCI**For the year ended
31 March, 2025****For the year ended
31 March, 2024**

(5.31)

-

(5.31)

-

c) Deferred tax relates to the following:**Deferred tax assets**

Current year profits/(losses)

Brought forward losses

Unabsorbed depreciation

Employee benefit obligations

Share based payment reserve

Lease liabilities

Depreciation and amortisation

Others

Total (A)

Set-off of deferred tax liabilities pursuant to set-off provisions

**As at
31 March, 2025****As at
31 March, 2024**

47.01

55.57

1,977.23

1,748.99

13.22

55.53

60.88

51.94

490.33

853.33

313.08

251.83

34.34

21.04

58.45

46.81

2,994.54**3,085.04****Deferred tax liabilities**

Right of use assets

Others

Total (B)

(279.48)

(230.52)

(2.63)

(14.51)

(282.11)**(245.03)****Net deferred tax assets (A-B)**

Less: Deferred tax not recognized

Net deferred tax assets recognized in books of accounts**2,712.43****2,840.01**

(595.00)

(2,840.01)

2,117.43**-**

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

	As at 31 March, 2025	As at 31 March, 2024
Income Tax Expense		
Accounting profit/(loss) before income tax	285.53	(927.27)
Applicable tax rate in India	25.168%	25.168%
Income tax expense/(credit) calculated	71.86	(233.38)
Effect of different tax rate	106.07	228.83
Effect of expenses which would never be allowed in tax computation	14.16	1.02
Effect of deferred tax not recognized	-	3.98
Effect of deferred tax assets of earlier years, recognized in current year	(2,309.52)	-
Income tax expense reported in the Consolidated Statement of Profit and Loss	(2,117.43)	0.45

e) Reconciliation of deferred tax asset (net):

	As at 31 March, 2025	As at 31 March, 2024
Opening balance	-	-
Tax credit/(expense) during the year		
- recognized in Consolidated Statement of Profit and Loss	2,112.12	-
- recognized in OCI	5.31	-
Closing balance	2,117.43	-

f) Movement for the year ended 31 March, 2025

	1 April, 2024	Recognized in profit or loss	Recognized in OCI	31 March, 2025
Tax losses	1,860.09	177.37	-	2,037.46
Employee benefit obligations	51.94	3.63	5.31	60.88
Share based payment reserve	853.33	(363.00)	-	490.33
Property, plant and equipment	21.04	13.30	-	34.34
Lease liabilities	251.83	61.25	-	313.08
Others	46.81	11.64	-	58.45
Total (A)	3,085.04	(95.81)	5.31	2,994.54
Deferred tax liabilities				
Right-of-use assets	(230.52)	(48.96)	-	(279.48)
Others	(14.51)	11.88	-	(2.63)
Total (B)	(245.03)	(37.08)	-	(282.11)
Net deferred tax assets (A-B)	2,840.01	(132.89)	5.31	2,712.43
Less: Deferred tax not recognized	(2,840.01)	2,245.01	-	(595.00)
Net Deferred tax assets recognized in books of accounts	-	2,112.12	5.31	2,117.43

- (i) During the year ended 31 March, 2025, the Company has recognized deferred tax assets on tax losses having expiry from 1-5 years, for ₹ 1,233.04 Million and more than 5 years for ₹ 240.29 Million. The deferred tax assets on temporary differences have also been recognized during the current year considering the reasonable certainty of current and future taxable profits.
- (ii) As at 31 March, 2024, the Group had not recognized deferred tax assets on tax losses having expiry from 1-5 years, for ₹ 977.86 Million and more than 5 years for ₹ 790.88 Million. The deferred tax assets on temporary differences had also not been recognized in the absence of reasonable certainty of future taxable profits, for the year ended 31 March, 2024.
- (iii) As at 31 March, 2025, the Group has ₹ 7,363.80 Million (31 March, 2024: ₹ 7,253.82 Million) of tax losses carried forward as per income tax records.
- (iv) As at the year ended on 31 March, 2024, the Group had deductible temporary differences, brought forward losses and unabsorbed depreciation under the tax laws. However, in the absence of reasonable certainty of realization, no deferred tax assets was recognized in the books of accounts for that year. The unused tax losses expire upto 8 years.
- (v) For the year ended 31 March, 2025, the Group has not recognized deferred tax assets on the subsidiaries losses and brought forward losses of the Holding Company amounting to ₹ 331.44 Million and ₹ 263.56 Million, respectively, due to the unavailability and reasonable certainty of the profit against which these deferred tax assets can be realized.
- (vi) The Group has not recognized and disclosed, deferred tax assets during the year ended 31 March, 2025 on the losses of subsidiaries which are scheduled for closure, amounting to ₹ 138.36 Million. Also refer note 37.

31 Leases

The Group has entered into agreements to lease certain offices and store premises. The lease term for such properties range between 2 to 9 years, with escalation clauses in certain lease agreements.

Extension and termination options are included in the leases for a number of properties. These are used to maximise operational flexibility. Extension and termination options are exercisable by lessor and the Group mutually.

(a) Details of lease liabilities:

The following is the movement in lease liabilities:

	As at 31 March, 2025	As at 31 March, 2024
Opening balance	1,041.19	1,017.34
Additions during the year	438.95	261.18
Terminated/Modified during the year	(87.35)	(35.68)
Finance cost accrued during the year	104.75	92.00
Payment of lease liabilities	(299.39)	(294.37)
Exchange difference	0.94	0.72
	1,199.09	1,041.19
Current	204.35	178.58
Non-current	994.74	862.61

(b) Charge to the Consolidated Statement of Profit and Loss:

	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest expense (included in finance cost)	104.75	92.00
Amortisation of right-of-use assets	264.77	248.12
Short term and low value lease expense	60.20	66.18

(c) The total cash outflow for leases for the year ended 31 March, 2025 was ₹ 299.39 Million (31 March, 2024: ₹ 294.37 Million).

(d) Additions to the right-of-use assets during the year ended 31 March, 2025 were ₹ 458.67 Million (31 March, 2024: ₹ 270.44 Million).

(e) Refer note 3(b) for amounts recognized in Balance Sheet for right-of-use assets.

(f) Net gain on the leases modified/terminated during the year ended 31 March, 2025 was ₹ 22.00 Million (31 March, 2024: ₹ 7.81 Million).

32 Employee benefits**A Defined Benefit Plan****I In respect of companies incorporated in India****Gratuity:**

The Holding Company and its Indian subsidiaries provides for gratuity as per defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to eligible employees upon retirement, death, incapacitation or termination of employment, of an amount determined basis the respective employee’s salary and the tenure of employment. The liability is actuarially determined (using the Projected Unit Credit method) at the end of each financial year. Actuarial losses/ gains are recognized in the Consolidated Statement of Profit and Loss in the year in which they arise. The Holding Company and its subsidiaries's liability is not funded by any plan asset.

The results of the actuarial study for the obligation for employee benefits for Gratuity as computed by the actuary are shown below:

i) Amount recognized in the Consolidated Statement of Total Comprehensive Income	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Current service cost	41.12	39.03
Interest cost	11.24	8.26
Actuarial (gain)/loss due to changes in financial assumptions	11.78	3.86
Recognition of past service cost	10.20	-
Total charged to the Consolidated Statement of Total Comprehensive Income	74.34	51.15
ii) Reconciliation of benefit obligations	As at 31 March, 2025	As at 31 March, 2024
Obligation at the beginning of the year	156.24	113.02
Service cost	41.12	39.03
Interest cost	11.24	8.26
Actuarial (gain)/loss due to changes in financial assumptions	11.78	3.86
Recognition of past service cost	10.20	-
Benefits paid	(26.78)	(7.93)
Defined benefits obligations at the end of the year	203.80	156.24
iii) Amount recognized in the Consolidated Balance Sheet	As at 31 March, 2025	As at 31 March, 2024
Present value of the obligation at the end of the year	203.80	156.24
Net liability recognized in Consolidated Balance Sheet	(203.80)	(156.24)
iv) Expense recognized in the Consolidated Statement of Profit and Loss	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest cost	11.24	8.26
Current service cost	41.12	39.03
Past service cost	10.20	-
Expense recognized in the Consolidated Statement of Profit and Loss	62.56	47.29
v) Expense recognized in the other comprehensive income	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Actuarial loss - obligation	11.78	3.86
Total actuarial loss recognized in other comprehensive income	11.78	3.86
vi) Movements in net liability/(asset)	As at 31 March, 2025	As at 31 March, 2024
Net liability at the beginning of the year	156.24	113.02
Direct benefit payments by employer	(26.78)	(7.93)
Total expense recognized in the Consolidated Statement of Profit and Loss	62.56	47.29
Total amount recognized in other comprehensive income	11.78	3.86
Net liability at the end of the year	203.80	156.24
Amounts recognized in the Consolidated Balance Sheet consist of:		
Current liability	31.62	19.64
Non current liability	172.18	136.60

vii) Principal actuarial assumptions

	As at 31 March, 2025	As at 31 March, 2024
Discount rate	6.55%	7.20%
Salary escalation	10.00%	10.00%
Withdrawal rate: age		
Upto 30 years	30.00%	30.00%
31 to 44 years	15.00%	15.00%
Above 44 years	5.00%	5.00%
Mortality rate	IALM 2012-14	IALM 2012-14

viii) Sensitivity analysis of significant assumptions

The following tables present a sensitivity analysis to each of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

Change in defined benefit obligation of Gratuity plan due to change in mortality rate, is negligible.

As at 31 March, 2025: Defined benefit obligation (base) ₹ 203.80 Million @ salary increase rate: 10% and discount rate: 6.55%.

	As at 31 March, 2025	
	(Increase)/ decrease in defined benefit obligation	
	Decrease in assumption	Increase in assumption
Discount rate (1% movement)	(18.48)	15.67
Future salary appreciation (1% movement)	15.40	(17.74)
Withdrawal rate (1% movement)	(5.03)	4.40

As at 31 March, 2024: Defined benefit obligation (base) ₹ 156.24 @ salary increase rate: 10%, and discount rate: 7.20%

	As at 31 March, 2024	
	(Increase)/ decrease in defined benefit obligation	
	Decrease in assumption	Increase in assumption
Discount rate (1% movement)	(14.07)	11.97
Future salary appreciation (1% movement)	11.77	(13.51)
Withdrawal rate (1% movement)	(3.77)	3.36

ix) The expected maturity analysis of undiscounted gratuity is as follows:

	As at 31 March, 2025	As at 31 March, 2024
1 year	31.62	19.64
2 years	24.69	17.80
3 years	23.16	18.90
4 years	21.08	18.34
5 years	18.46	16.41
more than 5 years	302.02	260.83

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 9 years (31 March, 2024: 8 years).

II In respect of company incorporated outside India - UAE

Employees' end-of service benefit:

In respect of a subsidiary located in the United Arab Emirates (UAE), Gratuity under the UAE labour laws is regarded as Defined benefit plan. The management has carried out an exercise to assess the present value of its obligations as at 31 March, 2025, based on an actuarial valuation carried out using the projected unit credit method, in respect of employees' end of service benefits payable under the UAE Labour Law. Under this method, an assessment has been made of an employee's expected service life with the Group and the expected basic salary at the date of leaving the service, based on the following assumptions:

i) Amount recognized in the Consolidated Statement of Total Comprehensive Income

	For the year ended 31 March, 2025
Current service cost	6.00
Interest cost	0.67
Actuarial (gain)/loss due to changes in financial assumptions	4.92
Total charged to the Consolidated Statement of Total Comprehensive Income	11.59

ii) Reconciliation of benefit obligations

	As at 31 March, 2025
Obligation at the beginning of the year	12.22
Service cost	6.00
Interest cost	0.67
Actuarial (gain)/loss due to changes in financial assumptions	4.92
Recognition of past service cost	-
Benefits paid	(5.63)
Exchange difference	0.32
Defined benefits obligations at the end of the year	18.50

iii) Amount recognized in the Consolidated Balance Sheet

	As at 31 March, 2025
Present value of the obligation at the end of the year	18.50
Net liability recognized in Consolidated Balance Sheet	18.50

iv) Expense recognized in the Consolidated Statement of Profit and Loss

	For the year ended 31 March, 2025
Interest cost	6.00
Current service cost	0.67
Past service cost	-
Expense recognized in the Consolidated Statement of Profit and Loss	6.67

v) Expense recognized in the other comprehensive income

	For the year ended 31 March, 2025
Actuarial loss - obligation	4.92
Total actuarial loss recognized in other comprehensive income	4.92

vi) Movements in net liability/(asset)

	As at 31 March, 2025
Net liability at the beginning of the year	12.22
Direct benefit payments by employer	(5.63)
Total expense recognized in the Consolidated Statement of Profit and Loss	6.67
Total amount recognized in other comprehensive income	4.92
Exchange difference	0.32
Net liability at the end of the year	18.50

Amounts recognized in the Consolidated Balance Sheet consist of:

Current liability	3.55
Non current liability	14.95

vii) Principal actuarial assumptions

	As at 31 March, 2025
Discount rate	5.40%
Salary escalation	6.00%
<i>Withdrawal rate: age</i>	
Upto 30 years	30.00%
31 to 44 years	15.00%
Above 44 years	5.00%
Mortality rate	75% of WHO UAE19

viii) Sensitivity analysis of significant assumptions

The following tables present a sensitivity analysis to each of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

Change in defined benefit obligation of Gratuity plan due to change in mortality rate, is negligible.

As at 31 March, 2025: Defined benefit obligation (base) ₹ 222.30 Million @ salary increase rate: 6%, and discount rate: 5.40%.

	As at 31 March, 2025	
	(Increase)/ decrease in defined benefit obligation	
	Decrease in assumption	Increase in assumption
Discount rate (1% movement)	(1.36)	1.17
Future salary appreciation (1% movement)	1.18	(1.34)
Withdrawal rate (1% movement)	(0.16)	0.14

ix) The expected maturity analysis of undiscounted gratuity is as follows:

	As at 31 March, 2025
1 year	3.55
2 years	2.59
3 years	2.24
4 years	1.98
5 years	1.78
more than 5 years	17.32

The weighted average duration of the employees' end-of-service benefit obligation at the end of the reporting year is 7 years.

B Compensated absence

Amounts recognized in the balance sheet consist of:

	As at 31 March, 2025	As at 31 March, 2024
Current liability	39.17	32.49

The entire amount of the provision of ₹ 39.17 Million (31 March, 2024: ₹ 32.49 Million) 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 avail the full amount of accrued leave or require payment for such leave within the next 12 months.

	As at 31 March, 2025	As at 31 March, 2024
Compensated absence not expected to be settled within the next 12 months	20.04	16.36

C Provident Fund and Labour welfare fund:

Contribution towards provident fund for eligible employees is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Expense recognized for contribution to provident and other fund is ₹ 78.84 Million ((31 March, 2024: ₹ 72.95 Million).

33 Employee Stock options

Pursuant to shareholder resolution dated 25 July, 2015, the Holding Company introduced “Employee Stock Option Plan 2015 (ESOP - 2015)” and further amended by shareholders resolution dated 31 January, 2025. The plan entitles employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions i.e. the requisite service duration. While in employment, all vested options can be exercised upto ten years from the date of vesting or two years from the date of listing, whichever is later. For ex employees, all vested options must be exercised within two years from the date of exit or two years from the date of listing, whichever is later. All exercised options shall be settled by dematerialised equity shares. Also refer note 14.

(a) Movement in share options during the year:

	As at 31 March, 2025		As at 31 March, 2024	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
Employees Stock Option Plan 2015				
Balance at the beginning of the year	48,242	1	45,471	1
Granted during the year	7,532	1	5,073	1
Exercised during the year	10,664	1	217	1
Forfeited during the year	2,601	1	2,085	1
Outstanding at the end of year*	42,509	1	48,242	1
Exercisable at the year end	28,940	1	34,856	1

*As at 31 March, 2025, the exercise price for options outstanding was ₹ 1 (31 March, 2024: ₹ 1) and the weighted average remaining contractual life (in years) was 1.56 (31 March, 2024: 1.81).

(b) Options exercised:

	Number exercised	Exercised date	Fair value at exercised	Exercised price (₹)
			date (₹)	
Options exercised during the year ended 31 March, 2024	3	10 August, 2023	354,000	1
Options exercised during the year ended 31 March, 2024	214	24 January, 2024	232,345	1
Options exercised during the year ended 31 March, 2025	6438	17 May, 2024	200,000	1
Options exercised during the year ended 31 March, 2025	3139	17 May, 2024	220,000	1
Options exercised during the year ended 31 March, 2025	26	17 May, 2024	220,000	1
Options exercised during the year ended 31 March, 2025	500	23 December, 2024	240,000	1
Options exercised during the year ended 31 March, 2025	141	07 January 2025	240,000	1
Options exercised during the year ended 31 March, 2025	420	18 February 2025	242,500	1

(c) Fair value of share options granted

The weighted average fair value as at grant date of the options granted during the year ended 31 March, 2025 was ₹ 231,802 (31 March, 2024: ₹ 155,816) per option. During the year ended 31 March, 2024, the fair value at grant date was independently determined using the Black-Scholes Model which takes into account the exercise price, the expected life of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

The model inputs for options granted during the year are as follows:

	As at 31 March, 2025**	As at 31 March, 2024
Dividend yield (%)	-	-
Expected volatility (%)*	Not Applicable	31.80% - 55.50%
Risk-free interest rate (%)	Not Applicable	6.57%- 6.84%
Weighted average life of option (in years)	3.09	3.15
Weighted average share price (in ₹)	231,802	155,816
Exercise price (in ₹)	1	1

*Expected volatility has been determined using Beta of Listed Peers.

**For the year ended 31 March, 2025, the fair value has been considered on the basis of latest secondary sale of Equity Shares.

(d) For the year ended 31 March, 2025, expense recognized in the Consolidated Statement of Profit and Loss amounting to ₹ 725.70 Million (31 March, 2024: ₹ 571.26 Million) (refer note 25)

(e) The Shareholder's Agreement between the Holding Company and its shareholders, was amended on 02 March, 2021 to grant performance linked incentives to the founder shareholders. The summary of the amendments is disclosed below.

Dilution in conversion ratio: The conversion ratio of Compulsorily Convertible Cumulative Preference Shares (CCPS) to equity shares would reduce subject to certain performance and service conditions being fulfilled and a qualifying event occurring within cut off dates. This reduction in conversion ratio would increase the relative shareholding of equity shareholders (including the founder shareholders).

In the assessment of the Holding Company, the qualifying event was under the control of the Holding Company. Therefore, adjustment to the conversion ratio on account of a qualifying event at a specified issue price did not violate the fixed-for-fixed criteria as specified in Ind AS 32, Financial Instruments: Presentation. Hence, the instruments were classified as equity.

Issuance of fresh equity shares: Future milestones of the incentive plan would involve issuance of fresh shares by the Holding Company to the founder shareholders

subject to certain market and non-market performance and service conditions being fulfilled and a qualifying event occurring within cut off dates. Owing to market and

non-market performance and service conditions attached to both the above benefits, the related costs have been accounted as equity settled share-based payment arrangement as per Ind AS 102.

As at the year ended 31 March, 2022, fair value of the share based payment benefit was recognized in the Statement of Profit and Loss on a straight-line basis, from the date of the grant to the cut off dates based on management's estimate, for the milestones where achievement of performance conditions and occurrence of the qualifying event has been deemed probable. Further, as at the year ended 31 March, 2023, management reassessed the likelihood of occurrence of qualifying event necessary for triggering one of the future milestones as not probable and consequently reversed the provision of ₹ 188.24 Million in 'Share based payment expense' in note 25.

- (f) Pursuant to shareholder resolution dated 06 June, 2022, the Holding Company introduced "Employees Restricted Stock Unit Plan, 2022 (RSU Plan 2022)", subsequently renamed as "Employee Stock Option Plan, 2022". The plan entitles directors and employees of the Group to purchase equity shares in the Holding Company at the stipulated exercise price, subject to compliance with vesting conditions. The vesting period for the Options/RSU's is in the range of 1-4 years from the grant date. All exercised Options/RSU's shall be settled by equity shares in dematerialised account.

Movement in Options/RSU's during the year:

	As at 31 March, 2025		As at 31 March, 2024	
	No. of stock options	Weighted average exercise price (₹)	No. of stock options	Weighted average exercise price (₹)
Employees Restricted Stock Unit Plan, 2022 (subsequently renamed as "Employee Stock Option Plan, 2022")				
Balance at the beginning of the year	1,383	1	2,396	1
Granted during the year	-	-	24	1
Forfeited during the year	-	-	1,038	1
Outstanding at the end of year*	1,383	1	1,383	1
Exercisable at the year end	1,381	1	1,380	1

*As at 31 March, 2025, the exercise price for Options/RSU's outstanding at the year end is ₹1 and the weighted average remaining contractual life (in years) is 0.71 (31 March, 2024: 1.82).

No Options/RSU's were exercised during the year(s) ended 31 March, 2025 and 31 March, 2024.

The weighted average fair value at grant date of the Options/RSU's granted during the year ended 31 March, 2025 was Nil (31 March, 2024: ₹ 130,528) per Option/RSU. During the year ended 31 March, 2024, the fair value at grant date was independently determined using the Black-Scholes Model which takes into account the exercise price, the expected life of Option/RSU, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the Option/RSU. No Options/RSU's were granted during the year ended 31 March, 2025.

No Options/RSU's were exercised during the year ended 31 March, 2025 and 31 March, 2024.

The model inputs for the Options/RSU's granted during the year are as follows:

	As at 31 March, 2025**	As at 31 March, 2024
Dividend yield (%)	-	-
Expected volatility (%)*	Not Applicable	45% - 53%
Risk-free interest rate (%)	Not Applicable	6.57%- 6.84%
Weighted average life of Option/RSU (in years)	2.92	3.15
Weighted average share price (in ₹)	231,802	130,528
Exercise price (in ₹)	1	1

*Expected volatility has been determined using Beta of Listed Peers.

Expense recognized in the Consolidated Statement of Profit and Loss

Expense recognized in the Consolidated Statement of Profit and Loss towards these Options/RSU's amounted to Nil (31 March, 2024: ₹ 41.26 Million) (refer note 25).

34 Instruments entirely equity in nature

These instruments consist of Series A Compulsorily Convertible Cumulative Preference Shares, Series A1 Compulsorily Convertible Cumulative Preference Shares, Series B Compulsorily Convertible Cumulative Preference Shares, Series B1 Compulsorily Convertible Cumulative Preference Shares, Series C Compulsorily Convertible Cumulative Preference Shares, Series D Compulsorily Convertible Cumulative Preference Shares, Series E Compulsorily Convertible Cumulative Preference Shares, Series F Compulsorily Convertible Cumulative Preference Shares ("Preference Shares").

The holders of the Preference Shares may convert their respective class of Compulsorily Convertible Cumulative Preference Shares ("CCPS") in whole or part into Equity shares at any time before 19 (Nineteen) years from the date of issuance of the same subject to the adjustments specified in Schedule III - PART A, PART B, PART C, PART D, PART E, PART F and PART G of the Article of Association of the Holding Company. In the event the conversion of respective class of CCPS entitles the holder to any fraction of an Equity Share then such fraction shall be rounded up to the nearest whole number. Also refer note 33(e).

The Preference Shares shall carry a predetermined cumulative dividend rate of 1% per annum on an As If Converted Basis. In addition to the same, if the holder of Equity Shares are paid dividend in excess of 1% per annum, the holder of the Liquidation Preference shares shall be entitled to dividend at such higher rate. The dividend shall be paid on pari passu basis in priority to other classes of shares.

Pursuant to the Board of Directors' approval dated 21 January, 2025, and the Shareholders' approval dated 31 January, 2025, respectively, the Holding Company made adjustment to the conversion ratio of the outstanding CCPS to 2330 equity shares of ₹ 1 each for each CCPS of ₹ 10 each, held by series A to series E CCPS holders, and 2,500 equity shares of ₹ 1 each for every one CCPS of ₹ 10 each, held by series F CCPS holders.

(a) Share Capital:**Authorised Capital**

	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount ₹ in	Number of shares	Amount ₹ in
Series A CCPS of ₹10/- each	46,640	0.47	46,640	0.47
Series A1 CCPS of ₹10/- each	84,380	0.84	84,380	0.84
Series B CCPS of ₹10/- each	93,025	0.93	93,025	0.93
Series B1 CCPS of ₹10/- each	1,402	0.01	1,402	0.01
Series C CCPS of ₹10/- each	47,200	0.47	47,200	0.47
Series D CCPS of ₹10/- each	52,542	0.52	52,542	0.52
Series E CCPS of ₹10/- each	20,578	0.21	20,578	0.21
Series F CCPS of ₹10/- each	50,490	0.51	50,490	0.51
	396,257	3.96	396,257	3.96

Issued Capital

Series A CCPS of ₹10/- each	43,679	0.44	43,679	0.44
Series A1 CCPS of ₹10/- each	84,380	0.84	84,380	0.84
Series B CCPS of ₹10/- each	91,608	0.92	91,608	0.92
Series B1 CCPS of ₹10/- each	1,402	0.01	1,402	0.01
Series C CCPS of ₹10/- each	38,027	0.38	38,027	0.38
Series D CCPS of ₹10/- each	52,542	0.52	52,542	0.52
Series E CCPS of ₹10/- each	20,578	0.21	20,578	0.21
Series F CCPS of ₹10/- each	50,490	0.51	50,490	0.51
	382,706	3.83	382,706	3.83

Subscribed and Paid-up Capital

Series A CCPS of ₹10/- each	43,679	0.44	43,679	0.44
Series A1 CCPS of ₹10/- each	84,380	0.84	84,380	0.84
Series B CCPS of ₹10/- each	91,608	0.92	91,608	0.92
Series B1 CCPS of ₹10/- each	1,401	0.01	1,401	0.01
Series C CCPS of ₹10/- each	38,027	0.38	38,027	0.38
Series D CCPS of ₹10/- each	52,542	0.52	52,542	0.52
Series E CCPS of ₹10/- each	20,578	0.21	20,578	0.21
Series F CCPS of ₹10/- each	50,490	0.51	50,490	0.51
	382,705	3.83	382,705	3.83

(b) Reconciliation of the number of compulsorily convertible cumulative preference shares:

	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount ₹ in	Number of shares	Amount ₹ in
Series A CCPS:				
Shares outstanding at the beginning of the year	43,679	0.44	43,679	0.44
Shares outstanding at the end of the year	43,679	0.44	43,679	0.44
Series A1 CCPS:				
Shares outstanding at the beginning of the year	84,380	0.84	84,380	0.84
Shares outstanding at the end of the year	84,380	0.84	84,380	0.84
Series B CCPS:				
Shares outstanding at the beginning of the year	91,608	0.92	91,608	0.92
Shares outstanding at the end of the year	91,608	0.92	91,608	0.92

Series B1 CCPS:

Shares outstanding at the beginning of the year	1,401	0.01	1,401	0.01
Shares outstanding at the end of the year	1,401	0.01	1,401	0.01

Series C CCPS:

Shares outstanding at the beginning of the year	38,027	0.38	38,027	0.38
Shares outstanding at the end of the year	38,027	0.38	38,027	0.38

Series D CCPS:

Shares outstanding at the beginning of the year	52,542	0.52	52,542	0.52
Shares outstanding at the end of the year	52,542	0.52	52,542	0.52

Series E CCPS:

Shares outstanding at the beginning of the year	20,578	0.21	20,578	0.21
Shares outstanding at the end of the year	20,578	0.21	20,578	0.21

Series F CCPS:

Shares outstanding at the beginning of the year	50,490	0.51	50,490	0.51
Shares outstanding at the end of the year	50,490	0.51	50,490	0.51

(c) Details of shareholders holding more than 5% of the aggregate shares in the Holding Company:

Name of Shareholder	As at 31 March, 2025		As at 31 March, 2024	
	No. of Shares	% Holding	No. of Shares	% Holding
Series A CCPS:				
Accel India IV (Mauritius) Limited, Mauritius	14,606	33.44%	23,320	53.39%
Internet Fund V Pte. Limited, Singapore	12,310	28.18%	14,701	33.66%
Think Investments PCC, Mauritius	11,105	25.42%	-	0.00%
Series A1 CCPS:				
Accel India IV (Mauritius) Limited, Mauritius	42,190	50.00%	42,190	50.00%
Elevation Capital V Limited, Mauritius	35,367	41.91%	35,367	41.91%
Series B CCPS:				
Bessemer India Capital Holding II Limited, Mauritius	36,710	40.07%	51,641	56.37%
Elevation Capital V Limited, Mauritius	26,318	28.73%	26,318	28.73%
Arohi Seed SPC	8,638	9.43%	-	0.00%
Think Investments PCC, Mauritius	6,293	6.87%	-	0.00%
Steadview Capital Mauritius Limited, Mauritius	5,304	5.79%	5,304	5.79%
Naspers Ventures B.V., Netherlands	5,004	5.46%	5,004	5.46%
Series B1 CCPS:				
VYC11 Limited, British Virgin Island	1,401	100.00%	1,401	100.00%
Series C CCPS:				
VYC11 Limited, British Virgin Island	33,686	88.58%	33,686	88.58%
Accel India IV (Mauritius) Limited, Mauritius	2,603	6.85%	2,603	6.85%
Series D CCPS:				
Steadview Capital Mauritius Limited, Mauritius	27,914	53.13%	27,914	53.13%
VYC11 Limited, British Virgin Island	18,951	36.07%	18,951	36.07%
ABG Capital	5,677	10.80%	5,677	10.80%
Series E CCPS:				
Internet Fund V Pte. Limited, Singapore	12,327	59.90%	12,327	59.90%
Steadview Capital Mauritius Limited, Mauritius	5,845	28.40%	5,845	28.40%
VYC11 Limited, British Virgin Island	1,375	6.69%	1,375	6.68%
ABG Capital	1,031	5.01%	1,031	5.01%
Series F CCPS:				
Naspers Ventures B.V., Netherlands	17,391	34.44%	17,391	34.44%
Wellington Hadley Harbor AIV Master Investors (Cayman) III, Ltd, Cayman Islands	8,710	17.25%	8,710	17.25%
VYC 23 Limited, British Virgin Island	7,936	15.73%	7,936	15.72%
DF International Partners II, LLC, Cayman Islands	4,839	9.58%	4,839	9.58%
DF International Partners V, LLC, Cayman Islands	4,839	9.58%	4,839	9.58%
Internet Fund V Pte. Limited, Singapore	3,871	7.67%	3,871	7.67%
Steadview Capital Mauritius Limited, Mauritius	2,904	5.75%	2,904	5.75%

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35 Capital Management

The Group's objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value. As at year ended 31 March, 2025 and 31 March, 2024, the Group has only one class of equity shares and has no debt. Consequent to the above capital structure, there are no externally imposed capital requirements.

The Group has borrowings amounting to Nil (31 March, 2024 - Nil).

36 Fair value of financial instruments

A. Categories of financial instruments

As at 31 March, 2025	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	816.81	-	10,093.84	10,910.65	296.10	-	10,614.55	10,910.65
Trade receivables	-	-	265.98	265.98	-	-	265.98	265.98
Cash and cash equivalents	-	-	610.97	610.97	-	-	610.97	610.97
Bank balances other than above	-	-	5,295.87	5,295.87	-	-	5,295.87	5,295.87
Other financial assets								
Security deposits	-	-	108.60	108.60	-	-	108.60	108.60
Interest accrued on deposits	-	-	337.80	337.80	-	-	337.80	337.80
Recoverable from payment gateways	-	-	210.24	210.24	-	-	210.24	210.24
Recoverable from Joint Venture	-	-	35.80	35.80	-	-	35.80	35.80
Recoverable from service providers	-	-	39.66	39.66	-	-	39.66	39.66
Others	-	-	4.61	4.61	-	-	4.61	4.61
Total	816.81	-	17,003.37	17,820.18	296.10	-	17,524.08	17,820.18
Financial liabilities								
Trade payables	-	-	1,104.88	1,104.88	-	-	1,104.88	1,104.88
Other financial liabilities								
Employee benefits payable	-	-	99.13	99.13	-	-	99.13	99.13
Payable to service providers	-	-	663.55	663.55	-	-	663.55	663.55
Payable to Joint Venture	-	-	-	-	-	-	-	-
Security deposits from service providers	-	-	17.95	17.95	-	-	17.95	17.95
Amount recovered on behalf of others	-	-	2.93	2.93	-	-	2.93	2.93
Liability on behalf of joint venture	-	-	52.14	52.14	-	-	52.14	52.14
Other liabilities	-	-	147.46	147.46	-	-	147.46	147.46
Total	-	-	2,088.04	2,088.04	-	-	2,088.04	2,088.04

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As at 31 March, 2024	Carrying amount				Fair value			
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	740.31	-	6,881.70	7,622.01	230.30	-	7,391.71	7,622.01
Trade receivables	-	-	200.64	200.64	-	-	200.64	200.64
Cash and cash equivalents	-	-	421.58	421.58	-	-	421.58	421.58
Bank balances other than above	-	-	4,790.13	4,790.13	-	-	4,790.13	4,790.13
Other financial assets								
Security deposits	-	-	107.94	107.94	-	-	107.94	107.94
Interest accrued on deposits	-	-	332.68	332.68	-	-	332.68	332.68
Recoverable from payment gateways	-	-	285.80	285.80	-	-	285.80	285.80
Recoverable from service providers	-	-	46.87	46.87	-	-	46.87	46.87
Deposits with original maturity for more than 12 months	-	-	836.99	836.99	-	-	836.99	836.99
Others	-	-	16.39	16.39	-	-	16.39	16.39
Total	740.31	-	13,920.72	14,661.03	230.30	-	14,430.73	14,661.03
Financial liabilities								
Trade payables	-	-	927.01	927.01	-	-	927.01	927.01
Other financial liabilities								
Employee benefits payable	-	-	103.03	103.03	-	-	103.03	103.03
Payable to service providers	-	-	622.92	622.92	-	-	622.92	622.92
Security deposits from service providers	-	-	23.20	23.20	-	-	23.20	23.20
Creditor for capital goods	-	-	6.99	6.99	-	-	6.99	6.99
Amount recovered on behalf of others	-	-	0.28	0.28	-	-	0.28	0.28
Other liabilities	-	-	95.59	95.59	-	-	95.59	95.59
Total	-	-	1,779.02	1,779.02	-	-	1,779.02	1,779.02

B. Measurement of fair values

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices 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).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

C. Valuation techniques

The following methods and assumptions were used to estimate the fair values:

- 1) Fair value of the cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying value largely due to short term maturities of these instruments.
- 2) The fair value of unquoted instruments is estimated by discounting future cash flows using rates currently available for debt of similar terms, credit risk and remaining maturities.
- 3) Fair value of quoted mutual funds is determined by reference to quotes from the financial institutions, i.e. net asset value (NAV) declared by mutual fund house as at the reporting date.

Significant unobservable inputs used in Level 3 fair value include the following:

Financial assets	Valuation technique	Significant unobservable inputs
Investment in equity instruments	Discounted Cash Flow method ("DCF")	Weighted Average Cost of Capital ("WACC") (WACC: 18.08%; Terminal growth rate: 5%)

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37 Details of investments in subsidiaries, trust and joint venture

Name	Place of incorporation	Principal activities	Relationship	Proportion of ownership interest as at	
				31 March, 2025	31 March, 2024
Handy Home Solutions Private Limited	India	Trading business	Subsidiary	100%	100%
Urbanclap Technologies DMCC	United Arab Emirates	Operating internet Portal/ mobile application marketplace	Step-down Subsidiary	100%	100%
Urbanclap Technologies Global B.V. ⁽ⁱ⁾	Netherlands	Operating internet Portal/ mobile application marketplace	Subsidiary	-	100%
Urban Home Experts PTE LTD	Singapore	Operating internet Portal/ mobile application marketplace	Subsidiary	100%	100%
Urbancare Financial Services Private Limited ⁽ⁱⁱ⁾	India	Financing operations	Subsidiary	-	100%
Urban Company Technologies, Inc. ⁽ⁱⁱⁱ⁾	United States of America	Operating internet Portal/ mobile application marketplace	Subsidiary	-	-
Urban Home Experts PTY LTD ^(iv)	Australia	Operating internet Portal/ mobile application marketplace	Step-down Subsidiary	-	-
Urban Company Arabia for Information Technology ^(v)	Kingdom of Saudi Arabia	Operating internet Portal/ mobile application marketplace	Step-down Subsidiary	100%	100%
Urban Company Technologies Onshore LLC	United Arab Emirates	Operating internet Portal/ mobile application marketplace	Step-down Subsidiary	100%	100%
Company Waed Khadmat Al-Munzal For Marketing ^(v)	Kingdom of Saudi Arabia	Operating internet Portal/ mobile application marketplace	Joint Venture of Subsidiary	50%	-
Urban Company Employee Welfare Trust ^(vi)	India	Settlor	Entity controlled by the Group	NA	NA
Urban Company ESOP Trust	India	Settlor	Entity controlled by the Group	NA	NA
Partner Welfare Trust	India	Settlor	Entity controlled by the Group	NA	NA

(i) During the year ended 31 March, 2025, Urbanclap Technologies Global B.V. transferred its equity shareholding in Urbanclap Technologies, DMCC to Urbanhome Experts PTE Ltd at book value as on 24 December, 2024, and Urbanclap Technologies Global B.V. was deregistered w.e.f. 31 January, 2025.

(ii) During the fiscal year ended 31 March, 2024, the Group has dissolved Urbancare Financial Services Private Limited and the discontinued subsidiary was deregistered with local statutory body w.e.f. 06 July, 2024.

(iii) During the fiscal year ended 31 March, 2024, the Group ceased operations of Urban Company Technologies Inc. located in Unites States of America w.e.f. 20 November, 2023 and the certificate of dissolution was filed on 22 March, 2024.

(iv) During the fiscal year ended 31 March, 2023, the Group had ceased operations of Urban Home Experts PTY LTD located in Australia w.e.f 31 October 2022. During the fiscal year ended 31 March, 2024, the discontinued subsidiary was deregistered with local statutory body w.e.f. 14 June, 2023.

(v) During the year ended 31 March, 2025, the Group has started operations through its Joint Venture entity (Company Waed Khadmat Al-Munzal For Marketing) located in the Kingdom of Saudi Arabia, with effect from 01 January, 2025 with an intent to eventually close down step - down subsidiary, Urban Company Arabia for Information Technology. For this entity, the revenue from operations for the year ended 31 March, 2025 was ₹ 415.90 Million (31 March, 2024: ₹ 146.51 Million) and the loss before tax for the year ended 31 March, 2025 was ₹ 234.53 Million (31 March, 2024: ₹ 140.78 Million).

(vi) During the year ended 31 March, 2025, the Group had ceased operations of Urban Company Employee Welfare Trust located in India. The PAN of this entity was surrendered w.e.f. 05 September, 2024.

Summarised financial information for joint venture

The tables below provide summarised financial information for the Group's joint venture. The information disclosed reflects the amounts presented in the financial statements of the joint venture and not the Group's share of those amounts.

Summarised Balance Sheet

	As at 31 March, 2025	As at 31 March, 2024
Current assets	328.77	-
Non-current assets	14.61	-
Current liabilities	443.03	-
Non-current liabilities	2.96	-
Net assets	(102.61)	-

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Summarised statement of profit and loss	For the year ended	
	31 March, 2025	31 March, 2024
Revenue	240.87	-
Loss for the year	(172.96)	-
Proportion of the Group's ownership	50%	Not Applicable
Group's share of loss for the year	(86.48)	-

The carrying amount of investment in the Joint Venture as at 31 March, 2025, is reduced to Nil as the share of losses during the year (₹ 86.48 Million) is higher than the amount of investment in the Joint Venture (refer note 5 and 17).

38 Related party transactions**A. Names of related parties as per Ind AS 24 and the related party relationship:**

Name	Relationship	
Company Waed Khadmat Al-Munzal For Marketing	Joint Venture of Subsidiary	Incorporated w.e.f. 10 October, 2024

B. Key managerial personnel ("KMP")

Name	Designation	
Mr. Abhiraj Singh Bhal	Chairperson, Managing Director and Chief Executive Director	w.e.f. 19 February, 2025
Mr. Varun Khaitan	Executive Director and Chief Operating Officer	w.e.f. 19 February, 2025
Mr. Raghav Chandra	Executive Director and Chief Technology and Product Officer	w.e.f. 19 February, 2025
Mr. Shyamal Mukherjee	Independent Director	
Ms. Ireena Vittal	Independent Director	
Mr. Ashish Gupta	Independent Director	
Mr. Rajesh Gopinathan	Independent Director	Joined w.e.f. 01 August, 2024
Mr. Vamsi Krishna Duvvuri	Non-Executive Nominee Director	Joined w.e.f. 10 September, 2024
Mr. Abhay Krishna Mathur	Chief Financial Officer	w.e.f. 01 February, 2025
Mr. Ashish Kumar Srivastava	Company Secretary	w.e.f. 01 February, 2025 and resigned w.e.f. 22 March, 2025
Ms. Sonali Singh	Company Secretary and Compliance Officer	Joined w.e.f. 24 March, 2025

C. Transactions with related parties during the year(s) and balances as at the year(s) ended:

(a) Transactions entered during the year	For the year ended	
	31 March, 2025	31 March, 2024
(i) Key managerial personnel compensation		
Short-term employee benefits	49.41	39.84
Share-based payment**	2.99	-
Post-employment benefits*	-	-
Directors' remuneration and sitting fees	27.60	19.65

* As gratuity and compensated absence are computed for all the employees in aggregate, the amount relating to the Key Managerial Personnel cannot be individually identified.

(ii) Key managerial personnel contribution for partly paid-up shares (amount called up towards 31,239 shares)	1,932.53	-
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(iii) Transactions with the Joint Venture (Company Waed Khadmat Al-Munzal For Marketing)

Reimbursements/Expenses of Joint Venture paid by:		
Urban Company Limited	18.82	-
Urban Company Arabia for Information Technology	15.56	-
Urbanclap Technologies, DMCC	2.24	-
Expenses paid on behalf of:		
Urban Company Arabia for Information Technology	4.51	-
Royalty expense charged by:		
Urban Company Limited	4.83	-
Equity investment made by:		
Urban Home Experts PTE LTD	11.25	-
Capital contribution made by:		
Urban Home Experts PTE LTD	23.09	-

(b) Outstanding balances as at the year end:	As at	As at
	31 March, 2025	31 March, 2024

Outstanding balances with Joint Venture (Company Waed Khadmat Al-Munzal For Marketing)

Other receivables by:		
Urban Company Limited	22.92	-
Urban Company Arabia for Information Technology	12.88	-
Urbanclap Technologies, DMCC	2.21	-
Total capital contribution and equity investment made by:		
Urban Home Experts PTE LTD	34.34	-
Accumulated loss in excess of investment in joint venture, attributable to:		
Urban Home Experts PTE LTD (refer notes 5 and 17)	52.14	-

D. Terms and conditions of transactions with related parties

Amounts owed to and by related parties are unsecured and interest free and settlement occurs in cash. All transactions entered into by the Group with its related parties were on arm's length basis and in ordinary course of business.

39 Financial risk management objectives and policies

The Group is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk
- Market risk

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with the Group's financial instruments, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

(a) Credit risk

The Group is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Group's exposure to credit risk primarily relates to its operating activities (trade receivables) and its treasury activities, including deposits with banks, investment in money market funds and other financial instruments. The Group monitors and limits its exposure to credit risk on a continuous basis. The Group's credit risk associated with trade receivable is primarily related to customers being unable to settle their obligation as agreed upon. To manage this, the Group periodically reviews the financial health of its customers, taking into account their financial condition, current economic trends and analysis of historical bad debts and ageing of trade receivables.

Trade receivables

The Group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for estimating the expected credit loss from trade receivables and 12 months expected credit loss from other receivables. An impairment analysis is performed at each reporting date on an individual basis for material counterparties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively.

Outstanding customer receivables are regularly and closely monitored. Based historical trend, the Group provides for any outstanding beyond 12 months. The trade receivables on the respective reporting dates are net off the allowance which is sufficient to cover the entire lifetime loss of sales recognized. The Group further assesses impairment of major parties and provide for any outstanding before 12 months if they are credit impaired.

Expected credit loss for trade receivables under simplified approach

Aging	Gross carrying amount - Trade receivables	As at 31 March, 2025	
		Expected credit loss (loss allowance provision)	Carrying amount of trade receivables
Less than 6 months	270.24	26.83	243.41
6 months - 1 year	39.22	23.49	15.73
1 - 2 years	29.61	22.77	6.84
More than 2 years	41.56	41.56	-
Total	380.63	114.65	265.98

Aging	Gross carrying amount - Trade receivables	As at 31 March, 2024	
		Expected credit loss (loss allowance provision)	Carrying amount of trade receivables
Less than 6 months	190.98	14.20	176.78
6 months - 1 year	28.29	12.58	15.71
1 - 2 years	41.21	33.06	8.15
More than 2 years	27.68	27.68	-
Total	288.16	87.52	200.64

Movement in the expected credit loss allowance

	As at 31 March, 2025	As at 31 March, 2024
As at the beginning of the year	87.52	84.20
Expected credit loss provision made on trade receivables calculated at lifetime expected credit losses	27.13	3.32
As at the end of the year	114.65	87.52

Financial instruments and cash deposits

Credit risk arising from treasury investments are managed by the treasury department in accordance with the Group's approved investment policy. Investments of surplus funds are made primarily in liquid mutual funds units, non-convertible debentures, commercial papers and bank fixed deposits.

The Group's maximum exposure to credit risk for the components of the Consolidated Balance Sheet as at the year ended 31 March, 2025 and 31 March, 2024, is the carrying amount of these financial instruments.

Basis assessment, the expected credit loss identified on the financial instruments and cash deposits was determined as immaterial.

(b) Liquidity risk

Liquidity risk represents the risk of the Group being unable to meet the obligations resulting from financial liabilities on account of unavailability of funds. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group monitors cash and bank balances on a regular basis. The Group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March, 2025	Carrying Amount	Less than 1 year	1-5 years	More than 5 years	Total
Trade payables	1,104.88	1,104.88	-	-	1,104.88
Other financial liabilities	983.16	983.16	-	-	983.16
Lease liabilities	1,199.09	305.78	914.27	320.63	1,540.68
	3,287.13	2,393.82	914.27	320.63	3,628.72

As at 31 March, 2024	Carrying Amount	Less than 1 year	1-5 years	More than 5 years	Total
Trade payables	927.01	927.01	-	-	927.01
Other financial liabilities	852.01	852.01	-	-	852.01
Lease liabilities	1,041.19	261.92	776.46	301.47	1,339.85
	2,820.21	2,040.94	776.46	301.47	3,118.87

(c) Market risk

Market risk represents the risk of fluctuation in the fair value or future cash flows of a financial instrument due to changes in market prices. Such changes in the value of financial instruments may result from changes in foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

The Group's exposure to foreign currency is limited, as the Group does not have any significant foreign currency transactions.

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

(i) Interest rate risk

Interest rate risk represents the risk of upward movement in the interest rate would adversely affect the borrowing cost of the Group. As at 31 March, 2025, the Group does not have any borrowings (31 March, 2024 - Nil).

Further, the Group's investments are primarily in fixed rate interest bearing investments, accordingly the Group is not significantly exposed to interest rate risk.

40 Contingent liabilities

(a) Claims against the Group not acknowledged as debts comprise:

	As at 31 March, 2025	As at 31 March, 2024
GST Demands - matters under dispute	519.55	204.13
(Amount paid under protest: ₹ 1.13 Million (31 March, 2024: Nil)		
Other matters under disputes*	43.29	14.13
Total contingent liabilities	562.84	218.26

GST Demands - matters under dispute

	As at 31 March, 2025	As at 31 March, 2024
(i) Claim represents the demand raised by the GST Department in Haryana, towards the non-payment of GST resulting from an expanded definition of housekeeping services under Section 9(5) and non-reversal of input tax credit proportionate to turnover of housekeeping service providers. These claims are disputed by the Holding Company on grounds of applicability and interpretation.	186.74	180.89
(ii) The Holding Company received a demand of ₹ 23.24 Million in Haryana, towards the non-payment of GST resulting from mismatches in GSTR2A (Electronic Input Tax Credit Ledger) and actual input tax credit availed by the Holding Company for the year 2018-19. This demand is disputed by the Group on grounds of availability of carry forward input tax credit from previous years and valid tax invoices from vendors, basis which input tax credit was claimed.	24.41	23.24
The Holding Company had filed an appeal with the appellate authority after depositing 10 % of the base demand ₹ 1.13 Million.		
iii) The Holding Company received a total demand of ₹ 146.00 Million in Maharashtra. It includes:	146.00	-
a. ₹ 28.10 Million towards the full value of services supplied under Section 9(5) as services provided by the Holding Company.		
b. ₹ 44.90 Million towards the non payment of GST for commission income earned in Maharashtra, but deposited by the Holding Company centrally in Haryana.		
c. The department has also levied 100% penalty on the above.		
The Holding Company has disputed the total demand and has filed an appeal with the appellate authority on 28 April, 2025, after depositing 10% of the base demand for ₹ 7.30 Million.		
iv) The Holding Company received a total demand of ₹ 159.77 Million (including GST, penalties and interest) in Tamil Nadu. The Assessing Officer has considered full value of services supplied under Section 9(5) as services provided by the Holding Company - demand raised for ₹ 136.27 Million. The Officer also disallowed ITC due to non availability of Input Purchase register though appearing in GSTR 2A/2B of ₹ 20.90 Million and ₹ 2.6 Million due to mismatch in GSTR 1 vs GSTR 3B. The Holding Company has disputed the same.	159.77	-
v) The Holding Company received demand of ₹ 2.63 Million in Haryana, towards non-payment of GST resulting from mismatches in GSTR2A (Electronic Input Tax Credit Ledger) and actual input tax credit availed by the Holding Company for the year 2020-21. This demand is disputed by the Holding Company on grounds of availability of valid tax invoices from vendors, basis which input tax credit was claimed and is in the process of filing an appeal against the same	2.63	-
	519.55	204.13

*During the year ended 31 March, 2025 and in the previous financial years, the Holding Company has received several claims to the extent of ₹ 43.29 Million (31 March, 2024: ₹ 14.13 Million) from consumers related to services provided through service providers and lessors related to leased premises. The quantum of payout in these cases is contingent upon the outcome of the different legal processes invoked by the claimants. It is not possible to predict the outcome accurately in the form of a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate cannot be made. The Group engages reputed professional advisors to protect its interests and has been advised that it has strong legal positions in such disputes and reasonably expects that these legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Group's results of operations or financial condition.

Note:

- (a) It is not practicable for Holding Company to estimate the timing of cash outflow, if any, in respect of the above pending resolution of the respective proceedings.
(b) The Holding Company does not expect any reimbursements in respect of the above contingent liabilities.

41 Segment reporting

Information reported to the chief operating decision maker (CODM) for the purposes of cost allocation and assessment of performance focuses on the nature of products and services provided and geographies in which services are delivered or provided, with each segment representing a strategic business unit.

During the year ended 31 March, 2025, the Group has scaled up new businesses and made certain operational changes to better integrate the Group's businesses and to simplify its organisational structure. Under the new structure, the Group reports its financial performance under the following reportable segments i.e. India consumer services, Native and International business. This change better reflects the Group's operational focus on new segments emerging and facilitates improved resource allocation, performance monitoring and better financial reporting. The Group has recasted the comparative year to conform to the way the Group internally manages and monitors segment performances. The segment results focused by the CODM excludes other income, finance costs, share based payments and depreciation and amortisation.

India consumer services - This segment covers results from operating an online marketplace which helps registered customers to search for and hire registered service professionals for their household service needs. This segment also covers results from sale of products, tools and consumables sold to service professionals for use during service delivery on the platform. This segment covers only India operations.

Native - This segment covers results from sale of Native branded products to the customers.

International business - This segment covers results from operating an online marketplace which helps registered customers to search for and hire registered service professionals for their household service needs. This segment also covers results from sale of products, tools and consumables sold to service professionals for use during service delivery on the platform. It covers results from business operations outside India.

(a) Segment results

	For the year ended	
	31 March, 2025	31 March, 2024
Revenue from external customers:		
India consumer services		
Services	6,948.22	5,627.68
Products	1,865.71	1,467.48
Total India consumer services (A)	8,813.93	7,095.16
Native (B)	1,160.23	287.71
International business (C)	1,470.49	897.31
Grand Total (A+B+C)	11,444.65	8,280.18
Segment results		
India consumer services	1,135.93	161.63
Native	(387.73)	(245.95)
International business	(337.90)	(811.43)
Consolidated segment results	410.30	(895.75)
Add: Other income	1,162.12	999.73
Less: Finance costs	(104.75)	(92.00)
Less: Share based payment expense	(725.70)	(571.26)
Less: Depreciation and amortisation expense	(369.96)	(367.99)
Profit/(Loss) before share of net profits of investments accounted for using equity method and tax	372.01	(927.27)

(b) Information by geographics

	For the year ended	
	31 March, 2025	31 March, 2024
Revenue from external customers		
India	9,974.16	7,382.87
Outside India	1,470.49	897.31

(c) The total of non-current assets excluding financial assets, equity accounted investments and deferred tax assets analysed by the country in which assets are located are given below:

	As at 31 March, 2025	As at 31 March, 2024
India	1,399.81	1,203.55
Outside India	18.82	66.57

(d) Major customers

The Group does not have any customers who contribute more than or equal to 10% of total revenue.

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

42 Additional Information pursuant to Schedule III for the preparation of the Consolidated Financial Statements:

Name of the Entity	As at 31 March, 2025		For the year ended 31 March, 2025					
	Net Assets		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	% of consolidated net assets	Amount	% of consolidated profit/(loss)	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Parent								
Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)	125.35%	22,510.93	120.97%	2,900.23	70.27%	(6.17)	121.15%	2,894.06
Subsidiaries								
Urbanclap Technologies Global B.V.	0.00%	-	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Handyhome Solutions Private Limited	1.44%	258.11	-0.49%	(11.65)	3.53%	(0.31)	-0.50%	(11.96)
Urban Home Experts PTE LTD	5.11%	917.13	-18.98%	(455.02)	0.00%	-	-19.05%	(455.02)
Urbanclap Technologies DMCC	-0.10%	(18.46)	0.13%	3.15	55.92%	(4.91)	-0.07%	(1.76)
Urban Company Arabia for Information Technology	-2.09%	(374.65)	-9.79%	(234.69)	0.00%	-	-9.82%	(234.69)
Urban Company Technologies Onshore LLC	0.04%	6.79	-1.13%	(27.18)	0.00%	-	-1.14%	(27.18)
Trusts								
Urban Company Employee Welfare Trust	0.00%	-	0.00%	0.08	0.00%	-	0.00%	0.08
Partner Welfare Trust	0.01%	1.07	0.00%	-	0.00%	-	0.00%	-
Urban Company ESOP Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Joint venture								
Company Waed Khadmat Al-Munzal For Marketing	-0.29%	(51.31)	-3.61%	(86.48)	0.00%	-	-3.62%	(86.48)
Consolidation adjustments	-29.47%	(5,291.40)	12.90%	309.22	-29.73%	2.61	13.05%	311.83
Total	100.00%	17,958.21	100.00%	2,397.65	100.00%	(8.78)	100.00%	2,388.87

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

Name of the Entity	As at 31 March, 2024		For the year ended 31 March, 2024					
	Net Assets		Share in profit or (loss)		Share in other comprehensive income (OCI)		Share in total comprehensive income (TCI)	
	% of consolidated net assets	Amount	% of consolidated profit/(loss)	Amount	% of consolidated OCI	Amount	% of consolidated TCI	Amount
Parent								
Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)	131.19%	16,957.58	12.07%	(111.94)	73.23%	(3.83)	12.41%	(115.77)
Subsidiaries								
Urbanclap Technologies Global B.V.	1.05%	135.62	1.57%	(14.55)	0.00%	-	1.56%	(14.55)
Handyhome Solutions Private Limited	0.36%	46.88	10.14%	(94.05)	0.57%	(0.03)	10.08%	(94.08)
Urban Home Experts PTE LTD	6.04%	781.05	137.92%	(1,279.47)	0.00%	-	137.15%	(1,279.47)
Urbancare Financial Services Private Limited	0.00%	-	-0.13%	1.25	0.00%	-	-0.13%	1.25
Urbanclap Technologies DMCC	-0.34%	(44.53)	15.11%	(140.19)	0.00%	-	15.03%	(140.19)
Urban Company Arabia for Information Technology	-1.03%	(133.05)	15.17%	(140.78)	0.00%	-	15.09%	(140.78)
Urban Company Technologies, Inc.	0.00%	-	37.64%	(349.20)	0.00%	-	37.43%	(349.20)
Urban Company Technologies Onshore LLC	0.14%	18.48	2.88%	(26.76)	0.00%	-	2.87%	(26.76)
Trusts								
Urban Company Employee Welfare Trust	0.00%	(0.08)	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Partner Welfare Trust	0.01%	1.07	0.00%	-	0.00%	-	0.00%	-
Urban Company ESOP Trust	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Consolidation adjustments	-37.42%	(4,836.61)	-132.37%	1,227.99	26.20%	(1.37)	-131.49%	1,226.62
Total	100.00%	12,926.41	100.00%	(927.72)	100.00%	(5.23)	100.00%	(932.95)

43 Additional regulatory information required by Schedule III**(a) Details of benami property held**

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(b) Borrowing secured against current assets

The Group does not have any borrowings from banks or financial institutions during the current or previous financial year.

(c) Wilful defaulter

The Group has not been declared a wilful defaulter by any bank or financial institution or any other lender.

(d) Relationship with struck off companies

The Group does not have any transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

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

There are no charges or satisfaction which are yet to be registered with the registrar of the companies beyond the statutory period.

(f) Compliance with number of layers of companies

The Group has complied with the number of layers as prescribed under the Companies Act, 2013.

(g) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(h) Undisclosed income

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

(i) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous financial year.

(j) Valuation of PP&E and intangible asset

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous financial year.

(k) Utilization of borrowed funds and share premium

- (i) The Holding Company has advanced or loaned or invested funds to other persons (or) entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall, directly or indirectly lend or invest in other entities identified in any manner whatsoever by or on behalf of the Holding Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries:

From Entity	To Entity	Nature of Transaction	Date	Amount (₹ in Million)	Remarks	
Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)	Handy Home Solutions Private Limited	Equity Capital Infusion	21-Jun-23	180.00	The relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013, have been complied with for these transactions and the transactions are not in violation of the Prevention of Money-Laundering Act, 2002 (15 of 2003).	
			26-Sep-24	200.00		
				380.00		
	Urban Home Experts PTE LTD	Equity Capital Infusion	4-May-23	573.30		
			4-Sep-24	302.67		
			16-Jan-25	297.60		
						1,173.57
	Urbanclap Technologies DMCC	Equity Capital Infusion	18-May-23	49.47		
			11-Jul-23	31.54		
			8-Sep-23	34.02		
						115.03
Urban Home Experts PTE LTD	Urban Company Technologies, Inc.	Equity Capital Infusion	12-Apr-23	73.89		
			15-Jun-23	61.58		
			17-Aug-23	49.92		
			10-Oct-23	49.98		
			17-Nov-23	66.56		
			7-Feb-24	21.61		
				323.54		
	Urban Company Onshore LLC	Equity Capital Infusion	14-Jun-23	6.81		
			10-Aug-23	4.99		
			19-Dec-23	10.19		
10-Jun-24			9.05			
17-Dec-24			1.18			
16-Jan-25			1.19			
25-Mar-25			3.50			
			36.91			

From Entity	To Entity	Nature of Transaction	Date	Amount (₹ in Million)	Remarks
Urban Company Limited (formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)	Urbancare Financial Services Private Limited	Capital reduction	6-Mar-24	(24.82)	
				<u>(24.82)</u>	
	Urbanclap Technologies Global B.V.	Capital Reduction	11-Feb-25	(156.80)	
				<u>(156.80)</u>	
			20-Jun-23	5.47	
			13-Jul-23	5.49	
			14-Aug-23	5.53	
			6-Nov-23	5.54	
Urban Home Experts PTE LTD	Urban Company Arabia for Information Technology	Intercompany loan	12-Dec-23	11.14	
			20-Dec-23	27.77	
			19-Mar-24	39.84	
			17-Jul-24	40.15	
			9-Sep-24	87.58	
			6-Feb-25	59.96	
				<u>288.47</u>	

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries) or
- b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(i) Back-up of Books of Account

As per the MCA notification dated August 5, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Companies are required to maintain a back-up of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Companies are required to maintain back-up of books of accounts on servers physically located in India on a daily basis.

The books of account along with other relevant records and papers of the Holding Company and a subsidiary incorporated in India, are maintained in electronic mode. These are readily accessible in India at all times, and a back-up is maintained, on a daily basis, on servers physically located in India except for the period October 1, 2024, to January 26, 2025, where the back-up was maintained on the servers located in Sydney, Australia. Full back up (including data for the period October 1, 2024 to January 26, 2025) was subsequently restored on servers in India from January 27, 2025 onwards.

(m) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Holding Company and a subsidiary which is a company incorporated in India. These Companies have used Oracle Fusion as their accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and has operated throughout the year for all the financial transactions at application level as well as database level. Oracle has shared an independent examination report dated 21 April, 2025 for the audit trail feature to record direct changes at the database level which is not a report under assurance standards.

44 The Holding Company has filed an adjudication application with the Registrar of Companies ("RoC") on 18 September, 2024 with respect to the incentivisation plan for the service professionals working on the Group's platform. In this regard, the RoC issued a Show Cause Notice ("SCN") dated 02 April, 2025 followed by an adjudication order dated 24 April, 2025 against the Holding Company and its executive directors, pursuant to which an aggregate penalty of ₹ 0.35 million was imposed on such parties and which has been paid. The proceedings on the SCN stands closed by paying such penalty.

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

CIN: U74140DL2014PLC274413

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

(All amounts in INR Millions, unless otherwise stated)

45 Subsequent Events

- (i) Post the year ended 31 March, 2025, a fire broke out at one of the Group's leased warehouse in Bhiwandi, Maharashtra on 12 May, 2025 and destroyed the inventory valued at ₹ 89.40 million. The inventory stored at the warehouse was insured, and the Company is in the process of filing an insurance claim for this amount.
- (ii) Post the end of the financial year under review, the unsubscribed portion of the issued share capital comprising 1 Series B1 CCPS having face value of ₹ 10 each and 1,289 equity shares having face value of ₹ 1 each were cancelled pursuant to the approval of the Board on 24 April, 2025.
- (iii) There are no subsequent events that have occurred after the financial year till date of approval of these Consolidated Financial Statements except for as disclosed in notes 14 and 45 (i) and (ii) above.

For Price Waterhouse & Co Chartered Accountants LLP

Firm Registration No. 304026E/E300009

For and on behalf of the Board of Directors of

Urban Company Limited (Formerly known as Urbanclap Technologies India Limited and Urbanclap Technologies India Private Limited)

Abhishek Rara

Partner

Membership No. 077779

Date: 05 June, 2025

Place: Gurugram

Abhiraj Singh Bhal

Chairperson, Managing Director and

Chief Executive Officer

DIN: 07005253

Date: 05 June, 2025

Place: Gurugram

Varun Khaitan

Executive Director and

Chief Operating Officer

DIN: 07005033

Date: 05 June, 2025

Place: Gurugram

Abhay Krishna Mathur

Chief Financial Officer

Date: 05 June, 2025

Place: Gurugram

Sonali Singh

Company Secretary and

Compliance Officer

Membership No. A26585

Date: 05 June, 2025

Place: Gurugram