

# **24<sup>TH</sup> ANNUAL REPORT**

**FOR THE YEAR ENDED**

**31<sup>ST</sup> MARCH 2025**

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**NET AVENUE TECHNOLOGIES LIMITED**

**(Formerly NET AVENUE TECHNOLOGIES PRIVATE LIMITED)**

BOARD OF DIRECTORS & KEY MANGERIAL PERSONNEL		
NAME	DIN	DESIGNATION
Mr. Rajesh Nahar	01015059	Chairman cum Managing Director
Mr. Ritesh Katariya	01019455	Whole Time Director
Mr. Naresh Kumar	07026135	Non-executive Director
Mr. Murali Rajagopalachari	00759040	Independent Director
Ms. Riya Jain	10309330	Independent Director
Mr. Prakash	NA	Chief Financial Officer
Ms. Bhumisha Darshan Dadwani	NA	Company Secretary

**STATUTORY AUDITORS**

PKF SRIDHAR & SANTHANAM LLP  
Chartered Accountants  
KRD Gee Gee Crystal, No.91-92 7th Floor  
Dr. Radhakrishnan Salai, Mylapore  
Chennai 600004

**SECRETARIAL AUDITORS**

A.K. JAIN & ASSOCIATES  
Company Secretaries  
No.2 Raja Annamalai Road, Purasaiwakkam  
Chennai 600084

**REGISTRAR & TRANSFER AGENT**

INTEGRATED REGISTRY MANAGEMENT SERVICES PVT LTD  
# 30 Ramana Residency, 4th Cross, Sampige Road  
Malleswaram, Bengaluru 560003  
Telephone: 080 – 23460815

**REGISTERED OFFICE**

New No 16, Old No 13, 1st Floor, Prithvi Avenue  
Alwarpet, Teynampet, Chennai 600018  
Email: [investor@natl.in](mailto:investor@natl.in)

**STOCK EXCHANGE**

NATIONAL STOCK EXCHANGE OF INDIA LTD

**ISIN**

INE518X01015

**DATE OF LISTING**

08/12/2023

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**NOTICE TO MEMBERS**

NOTICE is hereby given that the **24<sup>th</sup> Annual General Meeting** of the members of **M/s. NET AVENUE TECHNOLOGIES LIMITED** will be held on Saturday, 27<sup>th</sup> September, 2025, at 12:00 Noon (IST), through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), to transact the following businesses:

**ORDINARY BUSINESS:**

1. (a) To receive, consider and adopt the Standalone Audited Financial Statements with reports of the Auditors and Directors thereon for the financial year ended 31<sup>st</sup> March, 2025.  
  
(b) To receive, consider and adopt the Consolidated Audited Financial Statements and the report of the auditors thereon for the financial year ended 31<sup>st</sup> March, 2025.
2. To appoint a director in place of Mr. Rajesh Nahar (DIN: 01015059), Managing Director, who retires by rotation and being eligible, offers himself for reappointment.

**On behalf of the Board  
For NET AVENUE TECHNOLOGIES LIMITED**

Place: Chennai  
Date: 02/09/2025

Sd/-  
RAJESH NAHAR  
Chairman cum Managing Director  
DIN:01015059

**NOTES**

1. The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circular No.09/2024 dated September 19, 2024 read with Circular No. 09/2023 dated September 25, 2023 read with circular no. 10/22 dated December 28, 2022 read with Circular No. 02/2022 dated May 05, 2022 read with Circular No. 21/2021 dated December 14, 2021 read with Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20/2020 dated May 05, 2020 read with Circular No.17/2020 dated April 13, 2020 read with Circular No.14/2020 dated April 8,2020 (collectively referred to as "MCA Circulars") allows conducting of Annual General Meeting of the Company through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of the members for the meeting at a common venue till September 30, 2025. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the Listing Regulations. In terms of the said Circulars and in compliance with the provisions of the Companies Act, 2013 and SEBI Circulars, the AGM of the Company is being held through VC /OAVM. Hence, Members can attend and participate in the AGM through VC / OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company.
2. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
3. Since the AGM will be held through VC / OAVM, the Route Map, Attendance Slip and Proxy Form are not attached to this Notice.

4. Though a Member, pursuant to the provisions of the Act, is entitled to attend and vote at the meeting, is entitled to appoint one or more proxies (proxy need not be a Member of the Company) to attend and vote instead of himself / herself, the facility of appointment of proxies is not available as this AGM is convened through VC / OAVM pursuant to the Circulars.

5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

6. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

7. The Register of Members and the Share Transfer Books of the Company will remain closed from 21/09/2025 to 27/09/2025 (both days inclusive).

8. Members are requested to intimate the changes in their respective mailing address either to the Company or RTA in case of shares held in physical form or to their respective Depository Participants (DPs) in case of shares held in dematerialized form.

9. The Securities and Exchange Board of India (SEBI) has recently mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, email address, mobile number, bank account details) and nomination details by holders of securities.

SEBI has vide its amendment Circular Nos. SEBI/HO/ MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17<sup>th</sup> November, 2023 read with previous circulars issued in this regard has mandated that with effect from 01<sup>st</sup> April, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

10. Members who have not yet registered their e-mail addresses are requested to register the same with their DPs, in case the shares are held by them in electronic form and with the Company / RTA, in case the shares are held by them in physical form.

11. SEBI vide Circular dated 25<sup>th</sup> January, 2022 mandated issuance of Securities in Dematerialized Form in case of Investor Service Requests viz., Issue of Duplicate Share Certificates, Claim from Unclaimed Suspense Account, Renewal / Exchange of Share Certificates, Endorsement, Sub-division / Splitting of Share Certificates, Consolidation of Share Certificates / Folios, Transmission, Transposition, etc.

12. In line with the MCA Circulars, the Notice convening the AGM and the Annual Report for the year 2024-25 is made available on the of the Stock Exchange (i.e.) National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The Notice and the Annual Report are also made available on the website of CDSL (agency providing the remote e-Voting facility and e-Voting system during the AGM) (i.e.) [www.evotingindia.com](http://www.evotingindia.com).

13. Information pursuant to regulations 36(3) & (5) of SEBI LODR and Secretarial Standard on General Meeting (SS-2) with respect to the Directors seeking appointment / re-appointment, as the case may be, at the AGM are furnished in the Annexure to this Notice. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.

14. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements maintained under Section 189 of the said Act, will be available electronically for inspection by the Members during the AGM.

15. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice upto the date of AGM (i.e.) 27<sup>th</sup> September, 2025. Members seeking to inspect such documents can send e-mail to [investor@natl.in](mailto:investor@natl.in).

#### **CDSL E-VOTING SYSTEM – FOR E-VOTING AND JOINING VIRTUAL MEETINGS**

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The Board of Directors of the Company has appointed Mr. PANKAJ MEHTA (ACS 29407 and CP No.10598), partner of A.K. JAIN & ASSOCIATES, Practicing Company Secretaries, Chennai as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

#### **THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i) The voting period begins on 23/09/2025 at 9.00 A.M. (IST) and ends on 26/09/2025 at 5.00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 20/09/2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; My Easi New (Token) Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; My Easi New (Token) Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL:</li> </ol>

holding securities in demat mode with <b>NSDL Depository</b>	<p><a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on <b>company name or e-Voting service provider name</b> and you will be re-directed to <b>e-Voting service provider website</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911



Individual Shareholders holding securities in Demat mode with **NSDL**

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@natl.in](mailto:investor@natl.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting& e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investor@natl.in](mailto:investor@natl.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [investor@natl.in](mailto:investor@natl.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES**

1. **For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company / RTA email id.

**2. For Demat shareholders** - Please update your email id & mobile no. with your respective Depository Participant (DP)

**3. For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911

#### Information at a glance

Particulars	Details
Day, Date & Time of AGM	Saturday, 27 <sup>th</sup> September, 2025, at 12:00 Noon
Mode	Through Video Conferencing ('VC') / Other Audio Video Means ('OAVM')
Cut-off date for Voting	Saturday, 20 <sup>th</sup> September, 2025
E-voting – Start time & date	September 23, 2025 at 9.00 A.M.
E-voting – End time & date	September 26, 2025 at 5.00 P.M.

**Additional Information of Directors with regard to appointment / reappointment, as required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) by ICSI:**

Name of the Director	Mr. Rajesh Nahar
Brief Resume	Mr. Rajesh Nahar, aged 49 years is Chairman cum Managing Director and also the Promoter of our Company. He holds Diploma in Business Administration (Marketing). He has experience of 24 years in our same company. He has been instrumental in taking major policy decision of the Company. He is playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management of the business of our Company. His Vision to do business with ethics & to keep up with latest developments and Management practices has helped him provide an overall growth for the company.
Date of Birth / Age	19/05/1976 / 49 years
Date of first appointment	07/06/2001
Qualification	Diploma in Business Administration (Marketing)
Experience	24 years
Terms and Conditions of Appointment	Appointed as Managing Director, liable to retire by rotation.
Remuneration last drawn	74.15 Lakhs

Directorship in other listed companies	Nil
The Listed entity from which Director has resigned in last three years	Nil
Number of Meetings of the Board attended during the year	5
Chairman/Member of other Committee in other companies	Nil
Whether related with Directors or KMP	No
Number of shares held as at 31.03.2025	30,45,000

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**DIRECTORS' REPORT**

To,  
The Members of  
**M/s. NET AVENUE TECHNOLOGIES LIMITED**

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2025.

**1. FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY:****STANDALONE:**

(In 000's)

PARTICULARS	31.03.2025	31.03.2024
Income	277,420	269,740
Less: Expenditure	311,916	286,989
<b>Profit before Tax</b>	<b>(34,496)</b>	<b>(17,249)</b>
Less: Current Tax	--	--
Less: Deferred Tax	--	--
<b>Profit after Tax</b>	<b>(34,496)</b>	<b>(17,249)</b>

**CONSOLIDATED:**

(In 000's)

PARTICULARS	31.03.2025	31.03.2024
Income	277,420	269,740
Less: Expenditure	319,059	290,680
<b>Profit /Loss before Exceptional Items Tax</b>	<b>(41,639)</b>	<b>(20,940)</b>
<b>Less: Exceptional Items</b>	<b>--</b>	<b>51.30</b>
<b>Profit/Loss before Tax</b>	<b>(41,639)</b>	<b>(15,810)</b>
Less: Current Tax	--	--
Less: Deferred Tax	--	--
<b>Profit after Tax</b>	<b>(41,639)</b>	<b>(15,810)</b>
Share of loss from associate	(2)	(2)
<b>Profit after tax and share of loss from associate</b>	<b>(41,641)</b>	<b>(15,812)</b>

**SEGMENT WISE:**

(In 000's)

Revenue in INR Lakhs	FY 2025	FY 2024	% Increase
Export	2279	2028	12%
Domestic	432	642	-33%
Other Income	63	27	
<b>Total</b>	<b>2774</b>	<b>2697</b>	<b>3%</b>

**OPERATIONS:**

The Company sell Indian Ethnic wear primarily to South Asian Diaspora through our websites cbazaar.com and ethnovog.com. The Company directly sell to end consumer and get orders from over 100 countries with United States, United Kingdom, Australia and Canada being the primary markets. In the international market, 100% of our orders are prepaid orders. Only in India the Company provide COD option. Our registered office is in Chennai, Tamilnadu and our corporate office and fulfilment centre is based in Surat, Gujarat.

Product categories includes

- Lehenga Choli,

- Salwar Kameez,
- Gowns,
- Kurtas,
- Sherwani,
- Kurta Sets,
- Kids wear
- Accessories

We sell both third party vendor products and exclusive curated collection.

#### **Third party vendor products:**

We list third party vendor products on our website. It could be semi stitched or readymade. We provide customers an option to choose customization while placing their orders. Once a customer places an order by selecting third party vendor product, we place a back to back order with the vendor. We get the product from our vendor to our Surat fulfilment centre where the quality check is done and moved to exclusive outsourced tailoring units for stitching. After stitching the products are again received at our fulfilment centre where final quality check is done and then the products are shipped to the end customer through reputed international courier partners like DHL, FedEx, Aramex etc.

#### **RaiR Collection– The Exclusive Curated Collection**

RaiR is the crown jewel of Cbazaar: an exclusive collection born out of a desire to preserve artistry and revive the charm of traditional craftsmanship. It represents the essence of handwork, individuality, and timeless beauty.

#### **2. DIVIDEND:**

The Directors do not recommend any dividend for the year.

#### **3. TRANSFER TO RESERVES:**

The following transfers were made to the General Reserves during the year under review:

(In 000's)	
Particulars	31.03.2025
General Reserve balance at the beginning of the year	22,977
Add: Amount transferred to General Reserve on account of forfeiture	164
Add: Amount transferred to General Reserve on expiry of options granted to Promoters	--
<b>Balance at the end of the year</b>	<b>23,141</b>

#### **4. SHARE CAPITAL:**

##### **(a) AUTHORISED SHARE CAPITAL:**

There is no change in authorized share capital during the year.

As on 31.03.2025 the authorized share capital is Rs.23,000,000/- divided into 23,000,000 equity shares of Rs.1/- each.

##### **(b) ISSUED, SUBSCRIBED & PAID UP CAPITAL:**

The Company has not issued any shares during the year.

As on 31.03.2025, the issued, subscribed and paidup capital is Rs.21,454,078/- divided into 21,454,078 equity shares of Rs.1/- each.

##### **(c) Employee Stock Option Scheme (ESOP):**

The information relating to the options granted to the employees is morefully detailed in the Annexure 'A' attached.

**(d) Initial Public Offer (IPO):**

The Company had offered equity shares by way of Initial Public Offer (IPO) and allotted shares as stated hereunder;

Date of allotment	Type of Issue	No. of shares issued	Face Value in (Re.)	Premium per share (Rs)	Total amount in (Rs.)
December 05, 2023	Initial Public offer (IPO)	56,96,000	1/-	17/-	102,528,000/-

**5. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH INITIAL PUBLIC OFFER (IPO):**

The particulars of funds raised and details of utilization of funds as at 31<sup>st</sup> March, 2025 are as follows;

(Value in Lakhs)

Original Object	Original allocation	Funds Utilised	Amount of Deviation	Remarks
Issue Related Expenses	124.36	124.36	-	-
General Corporate Expenses	82.28	41.14	-	-
Working Capital	120.00	120.00	-	-
Customer Acquisition - Marketing & Awareness	698.64	185.68	-	In view of weakness in demand, the Company has reduced the marketing spend.

**6. DEPOSITS:**

The Company has not accepted nor renewed any deposits during the year under the review and therefore details mentioned in Rule 8(5)(v) & (vi) of Companies (Accounts) Rules, 2014 relating to deposits covered under chapter V is not required to be given.

**7. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR & NATURE OF CHANGE IN BUSINESS:**

The company is engaged in sale of Indian designer clothes and accessories. There is no change in the nature of business during the year as compared to previous year.

**8. MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report are given in Annexure 'B'.

**9. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company does not fall under the ambit of provisions of Section 135 of the Companies Act, 2013. Accordingly, the provisions of Corporate Social Responsibility are not applicable.

**10. MATERIAL CHANGES AND COMMITMENTS:**

No material changes and commitments, affecting the financial position of the company which has occurred between the end of the financial year of the company to which the financial statements relate and till the date of this report.

**11. VIGIL MECHANISM / WHISTLE-BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:**

The Company has formulated a comprehensive Whistle-blower Policy in line with the provisions of Section 177 of the Companies Act, 2013. The Vigil Mechanism has been placed in the website of the Company at <https://www.natl.in/corporate-policies.html>



**12. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has constituted an Internal Complaints Committee for the redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2025. The Policy on Prevention of Sexual Harassment at workplace has been placed in the website of the Company at <https://www.natl.in/corporate-policies.html>

**13. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

**14. ANNUAL RETURN:**

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2025, will be available on the Company's website and can be accessed at <https://www.natl.in/home.html>

**15. RELATED PARTY TRANSACTIONS**

The transactions entered with the related party were in the ordinary course of business and at arm's length basis. The particulars of transactions entered are disclosed in the notes forming part of the financial statements and form AOC 2 is enclosed as Annexure 'C'.

**16. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

The Company has not advanced any loan, given guarantees and made investments during the year.

**17. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR**

Not applicable.

**18. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

Not Applicable.

**19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Your Company is taking utmost care to conserve energy wherever possible. There was no technology absorption during the year. The details of foreign earnings and outgo are disclosed in the notes to the financial statements.

**20. DETAILS OF SUBSIDIARY/ JOINT VENTURES / ASSOCIATE COMPANIES:**

The details of subsidiary / associate in Form AOC-1 are attached as Annexure 'D'.

**21. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:**

5 Board Meetings were held during the year and the gap between two meetings was not more than 120 days. The date of the meetings and the attendance of directors are mentioned below.

SN	DATE OF MEETING	Mr. RAJESH NAHAR	Mr. RITESH KATARIYA	Mr. NARESH JAIN	Mr. MURALI RAJAGOPALACHARI	Ms. RIYA JAIN
1	25.05.2024	Present	Present	Present	Present	Absent
2	02.09.2024	Present	Present	Present	Present	Absent
3	14.11.2024	Present	Present	Present	Present	Absent
4	07.02.2025	Present	Absent	Present	Absent	Present
5	12.03.2025	Present	Present	Present	Present	Absent

**22. DIRECTORS' & KEY MANAGERIAL PERSON:**

(a) The Company comprises of Five Directors as at 31.03.2025 as stated below:

SN	DIN	NAME OF THE DIRECTOR	DESIGNATION	Category
1.	01015059	Mr. Rajesh Nahar	Managing Director	Promoter - Executive
2.	01019455	Mr. Ritesh Katariya	Whole time Director	Promoter – Executive
3.	07026135	Mr. Naresh Kumar	Director	Non-Independent
4.	00759040	Mr. Murali Rajagopalachari	Director	Independent
5.	10309330	Ms. Riya Jain	Director	Independent

(b) The details of key managerial personnel as at 31<sup>st</sup> March, 2025 are as follows:

S No	PAN	NAME OF THE DIRECTOR	DESIGNATION
1	AVEPP7521N	Mr. Prakash	CFO
2	BQHPD2523B	Ms. Bhumisha Darshan Dadwani	Company Secretary

(c) The details of appointment, change in designation of Directors and Key Managerial Person during the year are mentioned below

SN	DIN / PAN	NAME OF THE DIRECTOR/ KMP	PARTICULARS	DATE OF APPOINTMENT / CESSATION / CHANGE IN DESIGNATION
NIL				

(d) Mr. Rajesh Nahar, Chairman cum Managing Director, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**23. INDEPENDENT DIRECTORS:**

The Independent directors have given declaration under Section 149 of the Companies Act, 2013, that they meet the criteria of independence. In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors at their meeting, inter alia, reviewed the following.

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Director.
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Company has received declarations of independence in accordance with the provisions of the Act as well as the LODR Regulations from all the Independent Directors

**24. ADEQUACY OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS:**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

**25. SECRETARIAL STANDARDS:**

The Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

**26. COMMITTEES****a) Audit Committee**

In terms of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted Audit Committee comprising of three members and the committee met three times during the year on 25.05.2024, 02.09.2024 and 14.11.2024. The composition of the Audit Committee and details of meeting held are provided hereunder:

S No	Name of Directors	Designation	Category	No. of Meetings	
				Entitled to attend	Attended
1	Mr. Rajagopalachari Murali	Chairman	NEID	3	3
2	Ms. Riya Jain	Member	NEID	3	0
3	Mr. Ritesh Katariya	Member	ED	3	3

NEID – Non Executive Independent Director

ED – Executive Director

**b) Nomination and Remuneration Committee**

In terms of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted a Nomination & Remuneration Committee comprising of three members and the committee met once during the year on 02.09.2024 with requisite quorum present throughout the meeting. The composition of the Nomination & Remuneration Committee and details of meeting held are provided hereunder:

SN	Name of Directors	Designation	Category	No. of Meetings	
				Entitled to attend	Attended
1	Mr. Rajagopalachari Murali	Chairman	NEID	1	1
2	Ms. Riya Jain	Member	NEID	1	0
3	Mr. Naresh Kumar	Member	NED	1	1

NEID – Non Executive Independent Director

NED – Non Executive Director

**c) Stakeholders Relationship Committee:**

In terms of section 178 of the Companies Act, 2013 read with Rules thereof and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirement), 2015, the Company has constituted Stakeholders Relationship Committee consisting comprises of three members. The composition of the Stakeholders Relationship Committee is provided hereunder:

SN	Name of Directors	Designation	Category
1	Mr. Rajagopalachari Murali	Chairman	NEID
2	Mr. Rajesh Nahar	Member	ED
3	Mr. Ritesh Katariya	Member	ED

NEID – Non Executive Independent Director

ED – Executive Director

**27. REMUNERATION POLICY**

The Company has adopted a Nomination and Remuneration Policy in terms of the Section 178 of the Act. The policy, inter alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of directors, key managerial personnel and senior management personnel of the Company. The Nomination & Remuneration Policy of the Company is available on the website of the Company at <https://www.natl.in/home.html>

**28. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:**

None of the Independent/Non-Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

**29. AUDITORS AND AUDIT REPORTS****a) Statutory Auditors:**

M/s. PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai, were re-appointed as Statutory Auditors of the Company for a term of four years in the AGM held on 28.09.2024. The Company has received confirmation that their appointment is within the limits specified and is eligible to continue as Auditors of the Company.

**b) Secretarial Auditors:**

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed M/s. AK Jain and Associates, Company Secretary in Practice, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2024-25. Secretarial Audit Report, issued by the Secretarial Auditor in Form No. MR-3 forms part of this Report and is annexed herewith as Annexure 'E'.

**c) Internal Auditors:**

In terms of Section 138 of the Companies Act, 2013, the Company had appointed M/s. Ronak G Jain & Co, Chartered Accountants, as Internal Auditor of the Company.

**30. REMARKS / OBSERVATION OF THE AUDITORS AND REPLY OF THE BOARD:****Statutory Auditors:****Observation:**

Name of the Statute	Nature of the Dues	Amount	Period to which it relates	Due Date	Date of Filing	Delay
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	4,504	September, 2024	15-10-2024	15-12-2024	61 Days
The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax	5,800	November, 2024	15-12-2024	05-02-2025	52 Days
The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax	5,000	December, 2024	15-01-2025	05-02-2025	21 Days

**Reply:** Two employees had KYC issue in the PF portal because of which the Company was not able to deposit the amount in October. The KYC issue was subsequently rectified and the Company had deposited the amount in Dec 2024. The Company have started paying the Gujarat Professional tax on time.

**Observations:**

Name of the Statute	Nature of the Dues	Amount demanded (In thousand)	Amount paid (In thousand)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	49.98	NIL	AY 2021-22	CPC
The Income Tax Act, 1961	Income tax	3320.27	NIL	AY 2022-23	Commissioner of IT (Appeals)
The Income Tax Act, 1961	Income tax	1036.18	NIL	AY 2020-21	CPC
The Income Tax Act, 1961	Income tax	891.87	NIL	AY 2011-12	Assessing Officer of IT

**Reply:** The Company have received order in its favor for the AY 2022-23 and the demand has been dropped. The Company have received rectification order for AY 2021-22 and the demand amount has been dropped. The other two years are still in process.

**31. REPORTING OF FRAUD BY THE AUDITORS:**

The statutory auditors have not reported any frauds under section 143(12) of the Companies Act, 2013.

**32. MAINTENANCE OF COST RECORDS:**

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

**33. PARTICULARS OF EMPLOYEES:**

The information required under Section 197 of the Companies Act, 2013 and the Rules made thereunder are annexed to this Report as Annexure 'F'

**34. RISK MANAGEMENT POLICY:**

The Company has a Proper Risk Management Policy towards Operations and Administrative affairs of the Company. The Directors review the Policy at regular intervals of time and ensure Proper Implementation of the Policy.

**35. CORPORATE GOVERNANCE:**

Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, does not apply to your Company. Hence, the report on Corporate Governance is not provided.

**36. DIRECTORS RESPONSIBILITY STATEMENT:**

To the best of their knowledge, belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a) In the preparation of the annual accounts, the applicable accounting standards have followed and that no material departures have been made for the same.
- b) appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March 2025 and of the loss of the Company for the year ended 31<sup>st</sup> March 2025,
- c) proper and sufficient care have been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- d) the annual accounts have been prepared on a going concern basis
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- f) the directors had laid down internal financial controls to be followed by the Company and that such financial controls are adequate and were operating effectively.

**37. COMPLIANCE WITH MATERNITY BENEFIT ACT:**

The Company has complied with the provisions of the Maternity Benefit Act.

**38. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND:**

There are no amounts which need to be transferred to Investor Education and Protection Fund.

**39. ACKNOWLEDGEMENTS:**

Your directors take this opportunity to acknowledge all stakeholders of the Company viz members, customers, suppliers, bankers, business partners/associates, financial institutions and various regulatory authorities for their consistent support/encouragement to the Company.

On behalf of the Board

For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-

Rajesh Nahar

Chairman cum Managing Director

DIN: 01015059

Place: Chennai

Date: 02/09/2025

**ANNEXURE A****EMPLOYEE STOCK OPTION**

<b>SN</b>	<b>NATURE OF DISCLOSURE</b>	<b>PARTICULARS</b>
1	Options Granted	3,68,550
2	Options Vested	2,26,170
3	Options Exercised	0
4	The total no. of shares arising as a result of exercise of option	Not exercised so far.
5	Options Lapsed	13,300
6	Exercise price	Rs. 60/- for 7 options
7	Variation of terms of option	-
8	Money realized by exercise of options	-
9	Bonus options issued, post balance sheet date 31 March 2025	-
10	Total number of options in force	3,68,550
11	Employee wise details of options granted to;	
(i)	key managerial personnel	1,57,500
(ii)	any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	Yes there are employees who received 5% or more of options granted in a year.
(iii)	identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	-

On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025



**ANNEXURE B****MANAGEMENT DISCUSSION & ANALYSIS REPORT****OVERVIEW OF APPAREL RETAIL MARKET****Domestic Market**

The India ethnic wear market is a rapidly growing segment of the country's overall apparel industry, valued at approximately USD 19 billion in 2023 and projected to reach around USD 30.4 billion by 2030, with a CAGR of about 6.9%. It holds a significant cultural footprint, accounting for the largest share of the nation's garment industry and evolving beyond traditional occasions into everyday fashion. The market is heavily skewed towards the unorganized sector, which constitutes 80-85%, while the organized segment is growing robustly at around 20% annually. Key drivers include rising disposable incomes, urbanization, and a growing preference for fusion styles that blend ethnic and contemporary fashion, especially among younger consumers. The segment is also seeing significant growth in online retail channels alongside traditional offline stores. Women's ethnic wear dominates the market share, complemented by expanding men's and kids' segments. The key growth drivers for the market include urbanization, rising incomes, and expanding internet and smartphone use which are expected to boost e-commerce sales.

**International Market**

As per the Ministry of External Affairs, there are over 35 Mn Indian diaspora living across the world with the United States having the largest diaspora population of about 5 Mn. Regions like the United States, Canada, United Kingdom, Middle East have huge opportunities for Indian Ethnic wear. Amazon US platform is annually selling over \$100 Mn Indian Ethnic wear products.

According to the Apparel Export Promotion Council (AEPC), exports of Indian garments have surged because, as their 2024 report puts it, "the world market is appreciating the rich heritage, intricate craftsmanship, and eco-friendly processes used by Indian textile manufacturers."

The global demand for Indian ethnic wear is not just about nostalgia. These designs offer a fresh story in a world full of fast fashion - they're expressive, unique, and conscious. — FashionUnited, 2024

What's driving the sale of Indian Ethnic wear in the International market?

- Big Indian festivals like Diwali and Eid are huge social events even outside India, fueling demand for something colorful and authentic.
- Wedding is one of the biggest drivers of Indian Ethnic wear sale even in the International market
- The type of fabrics used in the Indian dresses gives comfort and sustainability.

**Risk and Concerns**

The tariff threaten by the US which is the company's major market is a serious concern. Your company is evaluating options to navigate this difficult time. Your company is also planning to increase the focus on other global markets.

**Our current growth strategies include:**

- a) Go deeper into other key markets like United Kingdom, Canada and Australia
- b) Scaling up RaiR, our exclusive hand embroidered collection
- c) Build brand awareness through social media marketing



**Key Growth Drivers:**

- a) Requirement of customized ethnic wear among diaspora population
- b) Increasing disposable income
- c) Large and growing Indian wedding and celebration wear market driven by increased consumer spending
- d) Increasing tendency to wear appropriate celebration wear for respective festive events

**Company overview and Segment performance:**

The Company sells Indian Ethnic wear through cbazaar.com primarily targeting the diaspora population. The Company offers custom stitching solutions as a value added proposition to its customers. Its primary markets are the United States, United Kingdom, Canada, Australia and India.

The company's 84% of the operating income is from exports. Over 50% of the orders processed are customized orders.

**Discussion on financial performance with respect to operational performance**

The revenue from the operations for the year has decreased by 2% as compared to the previous year. The loss during the year has increased as compared to the previous year.

Our export business has seen a growth of 12% this year. We were able to maintain a gross margin of 69% for our export business.

During the year we took two key decisions in order to improve the business efficiency: 1) to scale down our business through domestic third-party marketplaces due to high returns which has resulted in drop in domestic business and 2) to liquidate non moving inventory which were built for third-party marketplaces.

The overall gross margin dropped to 58%\* compared to 66%\* in the previous year. The drop was due to 1) liquidation of inventory at deep discounts, 2) write off of aged and damaged inventory and 3) the order fulfilment contractor charges are part of "Fabric conversion & Redesign charges" whereas in the previous year, this function was executed by employees.

\*Gross margin calculation includes "Fabric conversion & Redesign charges" as part of COGS. In the financials it is part of other expenses.

**Material developments in Human Resources / Industrial Relations front, including number of people employed.**

As on 31<sup>st</sup> March 2025, the number of employees in the Company was 58 employees and about 22% of them are women employees.

**SWOT ANALYSIS:****Strength:**

- a) Technology capability to offer customized products
- b) Company has the capability to execute customized orders on scale

**Weakness:**

- a) Inconsistency in supply chain
- b) Inadequate infrastructure like logistics hampers the efficient functioning of the industry

## Opportunities:

- a) the expanding middle class with rising disposable incomes and evolving fashion preferences offer immense growth opportunities.
- b) the rapid growth of organized retail, both offline and online, provides a significant opportunity for the apparel industry.

## Threats:

- a) increase in tariffs by the target market.
- b) volatility in rates of freight can impact the profitability of the players.

**Key Financial Ratios**

Particulars	March 31, 2025	March 31, 2024	Variance %	Reason for variance more than 25%
(a) Current Ratio	1.75	1.89	-7%	
(b) Debt-Equity Ratio	0.33	0.65	-49%	Due to repayment of loan
(c) Debt Service Coverage Ratio	(4.33)	(0.90)	378%	Due to higher losses as compared to PY
(d) Return on Equity Ratio	-161.07%	-80.54%	100%	Due to higher losses as compared to PY
(e) Inventory turnover ratio	6.46	5.18	25%	
(f) Trade Receivables turnover ratio	77.97	36.08	116%	Due to higher turnover as compared to PY
(g) Trade payables turnover ratio	2.25	2.24	0%	
(h) Net capital turnover ratio	4.66	3.07	52%	Due to higher turnover as compared to PY
(i) Net profit ratio	-12.72%	-6.46%	97%	Due to higher losses as compared to PY

On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025

**ANNEXURE C****FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Sl. No	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.	

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(In 000's)

SINo	Particulars	Details		
(a)	Name(s) of the related party and nature of relationship	Mrs. Sarala Nahar – Relative of KMP	C.bazaar.INC – Subsidiary	Aviato Software Solutions Private Limited - Enterprise in which Director's relatives are interested
(b)	Nature of contracts/ arrangements/ transactions	Remuneration – 180/-	(a) Marketing, Internet banking and other expenses – 59,289/- (b) Collections received on behalf of the Company – 223,706/- (c) Payments received out of collections received on behalf of the Company – 212,492/- (d) Business facilitation fee – 497/-	Marketing, internet banking and other expense – 487/-
(c)	Duration of the contracts/ arrangements / transactions	2024-25	2024-25	2024-25
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	In the ordinary course of business and at arm's length	In the ordinary course of business and at arm's length	In the ordinary course of business and at arm's length
(e)	Date(s) of approval by the Board	25.05.2023	25.05.2023	29.05.2025

(f)	Amount paid as advances, if any	Nil	Nil	Nil
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On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025

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**ANNEXURE D****FORM NO. AOC.1****Statement containing salient features of the financial statement of  
/associate companies/joint ventures****(Pursuant to first proviso to sub-section (3) of section 129  
read with rule 5 of Companies (Accounts) Rules, 2014)****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in 000's)

Sl. No.	Particulars	Details
1	Name of the subsidiary	<b>M/s. Cbazaar.com Inc, Unites States of America</b>
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31 <sup>st</sup> December, 2024
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	1 USD = INR 85.45
4	Share capital	Rs. 85,570
5	Reserves & surplus	(-) Rs.1,45,82,240
6	Total assets	Rs.38,60,662
7	Total Liabilities	Rs.1,84,42,902
8	Investments	-
9	Turnover	Rs.5,03,152
10	Profit before taxation	Rs.21,136
11	Provision for taxation	-
12	Profit after taxation	Rs.21,136
13	Proposed Dividend	-
14	% of shareholding	100.00%

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: NA

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013  
related to Associate Companies and Joint Ventures**

Name of Associates/Joint Ventures	ETHNOSERVE BESPOKE SERVICES PRIVATE LIMITED
<b>1. Latest audited Balance Sheet Date</b>	31 <sup>st</sup> March, 2025
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	
No.	29412 Equity Shares of Rs.1/- each
Amount of Investment in Associates/Joint Venture	Rs.2,48,962/-
Extend of Holding %	29.41%
<b>3. Description of how there is significant influence</b>	Due to Shareholding
<b>4. Reason why the associate/joint venture is not consolidated</b>	NA
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	(2,09,997)
<b>6. Profit / Loss for the year</b>	
i. Considered in Consolidation	(2,000)
ii. Not Considered in Consolidation	

- Names of associates or joint ventures which are yet to commence operations: NIL
- Names of associates or joint ventures which have been liquidated or sold during the year: NIL

On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025

**ANNEXURE E****Form No.MR.3****Secretarial Audit Report**

(For the financial year ended 31<sup>st</sup> March,2025)

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

To,

The Members

**M/s. NET AVENUE TECHNOLOGIES LIMITED**

New No. 16, Old No. 13, 1<sup>st</sup> Floor, Prithvi Avenue,  
Alwarpet, Teynampet, Chennai – 600018

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. NET AVENUE TECHNOLOGIES LIMITED (CIN: U72900TN2001PLC047220)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s.NET AVENUE TECHNOLOGIESLIMITED ("the Company")** for the financial year ended on 31<sup>st</sup> March, 2025 according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder.
- ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- iv)The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (**'SEBI Act'**)
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
  - (f) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

We report that, the provisions of the following regulations are not applicable to the Company during the audit period: -

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

We further report that the Company has no External Commercial Borrowing.

We further report that the Company has complied with the rules and regulations pertaining to Foreign Direct Investment and Overseas Investment for the year under review.

We further report that, having regard to the compliance system prevailing in the Company and based on the written representations received from the officials/executives of the Company, we state that there are adequate systems and processes commensurate with the size and operations of the company to monitor and ensure compliance of the laws applicable to the Company;

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

- (a) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreement entered into by the Company with National Stock Exchange Ltd.

We further report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under our audit as the same falls under the review of statutory audit and by other designated professionals.

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

We further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act:
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting and other business which are not included in the Agenda are considered vide supplementary agenda subject to consent of the Board of Directors.
- (c) All the decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.



- (d) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of:

- (i) Public Issue / Right issue of shares / debentures / sweat equity, etc.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / Amalgamation / Reconstruction, etc.
- (iv) Foreign technical collaborations.

**For A.K JAIN & ASSOCIATES**  
Company Secretaries

Place: Chennai  
Date: 16.08.2025

**PANKAJ MEHTA**  
Partner  
M. No. A29407  
C. P. No. 10598  
PR: 1201/2021  
UDIN: A029407G001020751

This report is to be read with our letter of even dated which is annexed as Annexure A and form an integral part of this report.

**ANNEXURE A**

To

The Members

**NET AVENUE TECHNOLOGIES LIMITED**

New No. 16, Old No. 13, 1<sup>st</sup> Floor, Prithvi Avenue,  
Alwarpet, Teynampet, Chennai – 600018

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For A.K JAIN & ASSOCIATES**

Company Secretaries

Place: Chennai

Date: 16.08.2025

**PANKAJ MEHTA**

Partner

M. No. A29407

C. P. No. 10598

PR: 1201/2021

UDIN: A029407G001020751

**ANNEXURE F****DISCLOSURE AS PER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

SN	Name of the Employee	Designation	Ratio of Remuneration
1	Mr. Rajesh Nahar	Managing Director	25
2	Mr. Ritesh Katariya	Whole Time Director	25
3	Mr. Naresh Kumar	Director	Not applicable
4	Mr. Murali Rajagopalachari	Director	Not applicable
5	Ms. Riya Jain	Director	Not applicable

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

SN	Name of the Employee	Designation	Remuneration (31.03.2025)	Remuneration (31.03.2024)	% Increase / (Decrease) in Remuneration
1	Mr. Rajesh Nahar	Managing Director	74.15 Lakhs	64.67 Lakhs	
2	Mr. Ritesh Katariya	Whole Time Director	75.00 Lakhs	66.67 Lakhs	
3	Mr. Naresh Kumar	Director	Nil	Nil	-
4	Mr. Murali Rajagopalachari	Director	Nil	Nil	-
5	Ms. Riya Jain	Director	Nil	Nil	-
6	Mr. Prakash	CFO	24 Lakhs	24 Lakhs	
7	Ms. Bhumisha Darshan Dadwani	Company Secretary	2.5 Lakhs	2.5 Lakhs	-

(iii) The percentage increase in the median remuneration of employees in the financial year: 7%

(iv) The number of permanent employees on the rolls of the Company: 58

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The weighted average increase in salary for both the managerial persons and other employees is about 7% during the last financial year.

(vi) Affirmation that the remuneration is as per the remuneration policy of the Company: Yes

Statement showing the details of Employees of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(A) Top ten Employees in terms of remuneration drawn:

SN	Name of the Employee	Designation of the employee	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of the employee	Last employment held by such employee before joining the Company	Percentage of Equity Shares held by the Employee in the Company	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
1	Prakash A	Chief Financial Officer	24,00,000	Permanent Employee	Master of Business Administration and experience of 16 years	17-08-2015	41	Private	Nil	Nil
2	Prathees Kumar. C	IT and Business Analyst	13,60,008	Permanent Employee	Master of Science in Computer Science	01-07-2008	44	Private	Nil	Nil
3	Naveen Kumar. K.P	Software Developer	13,48,008	Permanent Employee	Master of Computer Applications	01-11-2014	35	Private	Nil	Nil
4	Satyavrata Swain	Manager - Operations	11,04,720	Permanent Employee	Master in Personnel Management and Industrial Relation and overall 15 years of experience	04-05-2015	40	Private	Nil	Nil
5	Rajan.A	Lead - UI/UX Designer	9,71,358	Permanent Employee	Bachelor of Computer Applications	16-07-2014	47	Private	Nil	Nil
6	Ahmed Khan. H	Manager Sourcing	9,25,914	Permanent Employee	Overall 17 years of experience	01-11-2007	40	Private	Nil	Nil
7	Christopher	Accounts - Assistant Manager	7,80,000	Permanent Employee	Bachelor of Commerce- 11 years	12-09-2018	32	Private	Nil	Nil
8	Ilayaraja G	Business Analytics	7,44,000	Permanent Employee	Bachelor of Engineering in Electrical and Electronics Engineering	15-11-2012	40	Private	Nil	Nil
9	Imran Khan J	Marketing - Assistant Manager	7,00,000	Permanent Employee	Bachelor of Engineering in Computer Science - 10 years	01-07-2021	33	Private	Nil	Nil
10	Santhosh Kumar M	Operations - Assistant Manager	6,99,600	Permanent Employee		13-03-2013	36	Private	Nil	Nil

## (B) Employee(s) in receipt of remuneration, not less than Rs.1.02 crores p.a.:

SN	Name of the Employee	Designation of the employee	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of the employee	Last employment held by such employee before joining the Company	Percentage of Equity Shares held by the Employee in the Company	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
NIL										

On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025

**MANAGING DIRECTOR'S DECLARATION ON CODE OF CONDUCT**

To,  
The Members of  
**M/s. NET AVENUE TECHNOLOGIES LIMITED**

I, Rajesh Nahar, Chairman cum Managing Director of the Company declare that the Board members and Senior Management of the Company have affirmed compliance with the code of conduct or the year ended March 31, 2025.

On behalf of the Board  
For **NET AVENUE TECHNOLOGIES LIMITED**

Sd/-  
Rajesh Nahar  
Chairman cum Managing Director  
DIN: 01015059

Place: Chennai  
Date: 02/09/2025

**INDEPENDENT AUDITORS' REPORT**

To the Members of Net Avenue Technologies Limited

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

**Opinion**

We have audited the accompanying financial statements of Net Avenue Technologies Limited ("the Company"), which comprise the balance sheet as at 31 March 2025, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended, (AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, its loss and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.



S.No	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	<p><b>Revenue Recognition</b></p> <p>The Company is engaged in the sale of Indian designer clothes and accessories. The Company has its own website and also sells its goods on e-commerce sites.</p> <p>The Company's revenue is derived primarily from sale of goods. As per its accounting policy, revenue is recognized when significant risks and rewards of ownership are transferred to the buyer, which generally coincides with the time of delivery of goods to the customer.</p> <p>Given the volume and variety of transactions, including the incidence of sales returns, there is a risk of inappropriate timing of revenue recognition and inaccurate estimation of sales returns, which could lead to misstatement of revenue.</p> <p>Accordingly, the timing of revenue recognition and the estimation of sales return provisions have been identified as a Key Audit Matter.</p> <p>The accounting policies (Refer Note 2.8) provide additional information on how the Company accounts for its revenue.</p>	<p>Our audit included but was not limited to the following procedures:</p> <p>Among other procedures, we obtained an understanding of the revenue recognition process including the design and implementation of relevant controls.</p> <p><b>Accounting policies:</b> Assessed whether the Company's revenue recognition policy is consistent with the requirements of AS 9.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>Performed substantive testing of selected revenue transactions recorded during the year and near year-end, including verification of underlying documents such as sales contracts, invoices, delivery challans and goods dispatch notes.</li> <li>Verified that revenue was recognized only when risks and rewards had been transferred and no significant uncertainty existed regarding the amount or its collection.</li> <li>Reviewed sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period.</li> <li>Reviewed the methodology and assumptions used by management to estimate provisions for sales returns, including testing the historical data used to support such estimates and assessing whether the provision was reasonable and consistent with past trends, current circumstances, and the latest information available subsequent to the balance sheet date.</li> <li>Compared the current year estimates to the prior year and, where relevant, completing further inquiries and testing.</li> <li>Performed analytical procedures to identify any unusual trends or variances in revenue</li> </ul>





		<p>and sales returns. Reviewed significant fluctuations and obtained explanations from management.</p> <p><b>Control testing:</b></p> <p>Tested key controls over revenue recognition, including review of management's testing for operating effectiveness.</p> <p><b>Disclosures:</b></p> <p>Tracing disclosure information to accounting records and other supporting documentation.</p>
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#### **Information Other than the Standalone Financial Statements and Auditors' Report Thereon**

The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report / Directors report but does not include the financial statements and our auditors' report thereon. The annual report / Director's report is expected to be made available to us after the date of auditor's report.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

#### **Responsibilities of the Management and Board of Directors for Standalone Financial Statements**

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



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

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

#### **Auditors' Responsibilities for the Audit of the Standalone Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for non-compliance with the requirement of maintaining daily backups on servers physically located in India, as mandated under proviso to Rule 3 of the Companies (Accounts) Rules, 2014. Attention is also drawn to the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (c) The Balance Sheet, the Statement of Profit and Loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act.
  - (e) The observation relating to the maintenance of accounts and other matters connected therewith are as stated the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".





- (h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its standalone financial statements – Refer Note 28 to the standalone financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025; and
  - iv.
    - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, 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 company to or in any other person(s) or entity(ies), 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 company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
    - (b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
    - (c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
  - v. The Company has not paid/declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act are not applicable.
  - vi. Relying on representations/explanations from the company and software vendor and based on our examination which included test checks, the Company has used,
    - Accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. The accounting software is such that it has no database but only objects and collections, hence, no changes is possible at that level.



- Inhouse developed software which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for this software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

The audit trail has been preserved by the company as per the statutory requirements for record retention.

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

*P. Devi*

**P.Devi**

Partner

Membership No. 223137

UDIN : 25223137BMINVG3046



Place: Chennai

Date: May 29, 2025

## Annexure A

**Referred to in paragraph 1 on 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Net Avenue Technologies Limited ("the Company") on the financial statements as of and for the year ended 31 March 2025.**

- (i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment  
  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were physically verified by the management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
  - (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year and hence this clause is not applicable to the Company.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii)
- a) The inventory, except goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. In our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on verification between the physical stocks and the book records are more than 10% of net value (net of provisions) of stock in hand for raw materials as March 31, 2025, and these have been properly dealt in the books of account.
  - b) Based on our audit procedures and according to the information and explanation given to us, the Company has not been sanctioned loan in excess of five crore rupees from banks or financial



institution on the basis of security of current assets and hence the question of filing quarterly returns or statements by the company with banks or financial institutions does not arise. Accordingly, paragraph 3(ii)(b) of the Order is not applicable to the Company.

- (iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, paragraph 3(iii) (a) to (f) of the Order is not applicable to the Company.
- (iv) Based on our audit procedures and according to the information and explanation given to us, the Company has neither given any loan, guarantees and security nor made any investment during the year covered under section 185 and 186 of the Act. Therefore paragraph 3(iv) of the Order is not applicable to the Company.
- (v) Based on our audit procedures & according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of the Act and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not required to maintain cost records specified by the Central Government under sub section (1) of section 148 of the Act. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.
- (vii)
  - (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess and any other material statutory dues as applicable with the appropriate authorities, though there has been delay in a few cases of Provident Fund and Professional Tax remittances as per table below. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of statutory dues were in arrears, as at 31 March 2025 for a period of more than six months from the date they became payable.





Name of the Statute	Nature of the Dues	Amount	Period to which it relates	Due Date	Date of Filing	Delay
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	4,504	September, 2024	15-10-2024	15-12-2024	61 Days
The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax	5,800	November, 2024	15-12-2024	05-02-2025	52 Days
The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	Professional Tax	5,000	December, 2024	15-01-2025	05-02-2025	21 Days

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, there are no statutory dues referred to in sub-clause (a) as at 31 March 2025, which have not been deposited with the appropriate authorities on account of any dispute, except as stated below:

Name of the Statute	Nature of the Dues	Amount demanded (In thousand)	Amount paid (In thousand)	Period to which amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	49.98	NIL	AY 2021-22	CPC
The Income Tax Act, 1961	Income tax	3320.27	NIL	AY 2022-23	Commissioner of IT (Appeals)
The Income Tax Act, 1961	Income tax	1036.18	NIL	AY 2020-21	CPC
The Income Tax Act, 1961	Income tax	891.87	NIL	AY 2011-12	Assessing Officer of IT

- (viii) As per the information and explanations given by the management and on the basis of our examination of the records of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company.

(ix)

- (a) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.





- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or government authority.
  - (c) According to the information and explanations given to us and the records of the Company examined by us, there were no term loans taken by the Company and hence the question of the amount of loan so diverted and the purpose for which it is used does not arise. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us and the records of the Company examined by us, no funds raised on short term basis have been utilized for long term purposes.
  - (e) According to the information and explanations given to us and the records of the Company examined by us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable to the Company.
  - (f) According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable to the Company.
- (x)
- (a) The Company has not raised any money during the year by way of initial public offer/further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
  - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi)
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no material fraud by the Company or on the Company has been noticed or reported during the year.
  - (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of Section 143 of the Act has been filed by secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government of India for the period covered by our audit.
  - (c) As represented to us by the management, there are no whistle blower complaints received during the year by the Company.



- (xii) The Company is not a Nidhi company in accordance with Nidhi Rules 2014. Accordingly, paragraph 3(xii)(a) to (c) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv)
- (a) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditors of the Company issued till date for the period under audit.
- (xv) On the basis of the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- (a) Based on our audit procedures and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934 (2 of 1934).
- (b) Based on our audit procedures and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.
- (c) Based on our audit procedures and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the questions of fulfilling criteria of a CIC, and in case the Company is an exempted or unregistered CIC, whether it continues to fulfill such criteria, do not arise. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on our audit procedures and according to the information and explanations given to us, none of the group companies are Core Investment Company (CIC) and hence the question of number of CICs which are part of the Group does not arise. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable to the Company.



- (xvii) The company has incurred cash losses of Rs.(19,661) thousand in the financial year and there was no cash loss in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) Based on our audit procedures and according to the information and explanations given to us, the company is not required to spend any amount for corporate social responsibilities and Accordingly, paragraph 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

*P. Devi*

**P.Devi**

Partner

Membership No. 223137

UDIN : 25223137BMINVG3046



Place: Chennai

Date: May 29, 2025

## **Annexure B**

**Referred to in paragraph 2(i) on 'Report on Other Legal and Regulatory Requirements' of our report of even date**

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

We have audited the internal financial controls with reference to standalone financial statements of Net Avenue Technologies Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

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

### **Auditors' Responsibility**

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

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

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

### **Meaning of Internal Financial Controls with reference to standalone financial statements**

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 standalone financial statements**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018



**P.Devi**

Partner

Membership No. 223137

UDIN : 25223137BMINVG3046s



Place: Chennai

Date: May 29, 2025



# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Standalone Balance Sheet for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	21,416	21,416
Reserves and surplus	4	44,604	80,162
		<b>66,020</b>	<b>1,01,578</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	3,811	3,910
		<b>3,811</b>	<b>3,910</b>
<b>Current liabilities</b>			
Short-term borrowings	6	7,005	13,837
Trade payables	7		
- Dues to micro and small enterprises		5,664	3,544
- Total outstanding dues to creditors other than micro and small enterprises		20,512	28,339
Other current liabilities	8	39,237	47,771
Short-term provisions	5	5,314	4,864
		<b>77,732</b>	<b>98,355</b>
<b>TOTAL</b>		<b>1,47,563</b>	<b>2,03,843</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment & Intangibles			
a) Tangible assets	9	2,564	3,258
b) Intangible assets	10	139	214
Non-current investments	11	-	-
Deferred tax asset	12	-	-
Amount recoverable from Net Avenue Technologies Private Limited	39	5,120	10,960
Employees Welfare Trust (net)			
Long-term loans and advances	13	3,845	3,971
		<b>11,668</b>	<b>18,403</b>
<b>Current assets</b>			
Current Investments	14	37,267	52,212
Inventories	15	28,904	55,083
Trade receivables	16	3,223	3,732
Cash and bank balances	17	33,952	26,659
Short-term loans and advances	13	11,526	26,231
Other current assets	18	21,023	21,523
		<b>1,35,895</b>	<b>1,85,440</b>
<b>TOTAL</b>		<b>1,47,563</b>	<b>2,03,843</b>

Significant accounting policies

2

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.: 003990S/S200018

*P. Devi*

**P Devi**

Partner

Membership No. 228437

Place : Chennai

Date : 29 May 2025



for and on behalf of the Board of Directors of

**Net Avenue Technologies Limited**

CIN: U72900TN2001PTC047220

*Ritesh Katariya*

**Ritesh Katariya**

Whole-time director

DIN: 01019455

Place : Surat

Date : 29 May 2025

*Rajesh Nahar*

**Rajesh Nahar**

Managing Director

DIN: 01015059

Place : Chennai

Date : 29 May 2025

*Prakash Arthanari*

**Prakash Arthanari**

Chief Financial Officer

Place : Surat

Date : 29 May 2025

*Bhumisha Darshan Dadwani*

**Bhumisha Darshan Dadwani**

Company Secretary

Place : Surat

Date : 29 May 2025

# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

## Statement of Standalone Profit and Loss for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

	Note	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Income</b>			
Revenue from operations	19	2,71,149	2,67,053
Other income	20	6,271	2,687
<b>Total revenue</b>		<b>2,77,420</b>	<b>2,69,740</b>
<b>Expenses</b>			
Cost of materials consumed	21	12,482	15,470
Purchases of stock-in-trade	22	61,636	40,399
Changes in inventory of work-in-progress and stock-in-trade	23	13,745	1,804
Employee benefits expense	24	45,484	53,931
Finance cost	25	610	1,749
Depreciation and amortisation	26	950	1,405
Other expenses	27	1,77,009	1,72,231
<b>Total expenses</b>		<b>3,11,916</b>	<b>2,86,989</b>
<b>Profit/ (loss) before tax</b>		<b>(34,496)</b>	<b>(17,249)</b>
Tax expense:			
- Current tax (Net off MAT Credit entitlement)		-	-
- Deferred tax		-	-
<b>Profit/ (loss) for the year</b>		<b>(34,496)</b>	<b>(17,249)</b>
<b>Earnings per share</b>			
Basic	38	(1.61)	(1.01)
Diluted	38	(1.61)	(1.01)
Nominal value of equity share		1.00	1.00

Significant accounting policies

2

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No: .003990S/S200018

*P. Devi*

**P Devi**

Partner

Membership No: 223137

Place : Chennai

Date : 29 May 2025



for and on behalf of the Board of Directors of

**Net Avenue Technologies Limited**

CIN : U72900TN2001PTC047220

*R. Katariya*

**Ritesh Katariya**

Whole-time director

DIN: 01019435

Place : Surat

Date : 29 May 2025

*Am*

**Prakash Arthanari**

Chief Financial Officer

Place : Surat

Date : 29 May 2025



*R. Rajesh Nahar*

**Rajesh Nahar**

Managing Director

DIN: 01015059

Place : Chennai

Date : 29 May 2025

*Bhumisha*

**Bhumisha Darshan Dadwani**

Company Secretary

Place : Surat

Date : 29 May 2025

# **Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

**Standalone Cash flow statement for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

	Year ended 31 March 2025	Year ended 31 March 2024
<b>Cash flow from operating activities</b>		
Profit / (loss) before tax	(34,496)	(17,249)
Adjustments:		
Depreciation and amortisation	950	1,405
Finance cost	610	1,749
Interest income	(1,842)	(1,425)
Employee stock compensation expense	1,938	7,063
Gain on sale of investment	(750)	(212)
Provision for doubtful debts / advances	1,749	4,064
Provision for recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust	5,840	-
Bad debts written off	986	-
Provision for non-moving inventory and Inventory written off	7,388	11,693
Unrealized foreign exchange (gain) / loss	(95)	(47)
Provision no longer required written back	(2,936)	-
<b>Operating cash flow before working capital changes</b>	<b>(20,657)</b>	<b>7,041</b>
(Increase)/Decrease in trade receivables	395	9,051
(Increase)/Decrease in inventories	18,791	5,495
(Increase)/Decrease in loans and advances and other assets	10,258	62,704
Increase/(Decrease) in trade payables, other liabilities and provisions	(11,730)	(1,01,333)
<b>Cash generated from operations</b>	<b>(2,944)</b>	<b>(17,042)</b>
Income taxes refund / (paid)	352	-
<b>Net cash used by operating activities</b>	<b>(A) (2,592)</b>	<b>(17,042)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible fixed assets	(195)	(439)
Sale of Property, Plant & Equipment	13	-
Purchase of investments in mutual funds	(3,600)	(1,14,998)
Sale of investments in mutual funds	19,295	63,000
Bank deposits (having original maturity more than three months)	(1,603)	(4,826)
Interest received	1,814	1,425
<b>Net cash provided by investing activities</b>	<b>(B) 15,724</b>	<b>(55,838)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of shares, net of share issue expenses	-	91,849
Repayment of borrowings	(8,331)	(17,205)
Proceeds from issue of preference shares (including securities premium)	-	-
Proceeds from borrowings	1,499	3,420
Finance costs paid	(610)	(1,749)
<b>Net cash used by financing activities</b>	<b>(C) (7,442)</b>	<b>76,315</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(A+B+C) 5,690</b>	<b>3,435</b>
Cash and cash equivalents at the beginning of year	4,024	589
<b>Cash and cash equivalents at the end of the year</b>	<b>9,714</b>	<b>4,024</b>
<b>Notes to cash flow statement</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Components of cash and cash equivalents:		
Cash on hand	5	41
Balances with banks		
- On current accounts	9,709	3,983
<b>Total</b>	<b>9,714</b>	<b>4,024</b>

Significant accounting policies

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No: 003990S/S200018

**P. Devi**  
Partner  
Membership No. 223137  
Place : Chennai  
Date : 29 May 2025



for and on behalf of Board of Directors of  
**Net Avenue Technologies Limited**  
CIN: U72900TN2001PTC047220

**Rajesh Katariya**  
Whole-time director  
DIN: 01019455  
Place : Surat  
Date : 29 May 2025

**Prakash Arthanari**  
Chief Financial Officer  
Place : Surat  
Date : 29 May 2025

**Rajesh Nahar**  
Managing Director  
DIN: 01015059  
Place : Chennai  
Date : 29 May 2025

**Bhumiisha Darshan Dadwani**  
Company Secretary  
Place : Surat  
Date : 29 May 2025





## **Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

### **Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

#### **1 Background**

Net Avenue Technologies Limited ("the Company") was incorporated on 7 June 2001. The Company is engaged in the sale of Indian designer clothes and accessories online. The Company has its own portal "Cbazaar.com" in the Indian fashion e-tail space. The company also sells its goods on e-commerce sites.

#### **2 Significant accounting policies**

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

##### **2.1 Basis of preparation of standalone financial statements**

The standalone financial statements have been prepared and presented in accordance with the generally accepted accounting principles in India ("Indian GAAP"). The standalone financial statements have been prepared to comply in all material respects with the Accounting Standards ("AS") notified under Section 133 of the Companies Act, 2013 and the other relevant provisions of Companies Act, 2013 as applicable. The standalone financial statements have been prepared on accrual basis under the historical cost convention.

All assets and liabilities have been classified into current or non-current as per the normal operating cycle of the Company and other criteria as set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 29th May 2025.

The financial statements have been prepared on a going concern basis.



## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

### Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

#### 2.2 Use of estimates

The preparation of standalone financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the standalone financial statements and reported amounts of income and expenses during the period. Actual figures may differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### 2.3 Current–non-current classification

All assets and liabilities are classified into current and non-current.

##### Assets

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

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after

Current assets include the current portion of non-current assets. All other assets are classified as non-current.

##### Liabilities

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

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

Current liabilities include current portion of non-current liabilities. All other liabilities are classified as non-current.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

#### 2.4 Property, plant and equipment and depreciation

The cost of property, plant and equipment includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Borrowing costs directly attributable to acquisition of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized. Depreciation is provided on written down value method over the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013. Pursuant to the above, the useful life of the assets are as below:

Category of asset	Useful life
Computers	3 years
Office equipments	5 years
Plant and machinery	15 years
Furniture and fittings	10 years
Vehicle	10 years

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Leasehold improvements are amortised using straight line method over the lease period.

Advances paid towards acquisition of property, plant and equipment and the cost of assets not ready to be put to use before the year end are disclosed under long-term loans and advances, and capital work in progress respectively.

#### 2.5 Intangible assets and amortisation

Intangible assets are recorded at the consideration paid for acquisition including any import duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), and any directly attributable expenditure in making the asset ready for its intended use. Intangible assets comprise primarily of software licenses that are amortized over their estimated useful life of 3 years.



## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

### Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

#### 2.6 Impairment

The Company assesses at each balance sheet whether there is an indication that an asset may be impaired. If any such condition exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

#### 2.7 Inventories

Inventories which comprise raw materials, work in-progress, finished goods and stock-in-trade are carried at the lower of cost and net realisable value. The comparison of cost and net realizable value is made on an item by item basis. Cost of inventories comprises of purchase costs, costs of conversion, and other costs incurred in bringing the inventories to their present condition and location. In determining the cost, specific identification method is used.

#### 2.8 Income from operations and other income

Revenue from sale of goods including shipping charges is recognised on delivery of goods to customers, which generally coincides with the transfer of all significant risks and rewards of ownership to the buyer. Sale value of goods is exclusive of sales tax, returns, and inclusive of price adjustments and quantity discounts.

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

Interest income is recognized on time proportion basis.

#### 2.9 Investments

Investments are either classified as current or non-current based on the management's intention. Current investments are carried at the lower of cost and fair value. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value. Non-current investments are carried at cost and provisions are recorded to recognize any decline, other than temporary, in the carrying value of each investment.

#### 2.10 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the day of the respective transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date. Exchange differences arising on foreign currency transactions during the year and on restatement of monetary assets and liabilities are recognized in the statement of profit and loss of the year.

Integral foreign operations are those which carry on their business as if they were an extension of the Company's operations.

The financial statements of an integral foreign operation are translated into Indian rupees as if the transactions of the foreign operation were those of the Company itself.

#### 2.11 Earnings per share

Basic earnings per share amounts are computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit after tax attributable to the equity shareholders for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

#### 2.12 Leases

Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the period of the lease.





## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 2.13 Employee benefits

#### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### Post-employment benefits

##### Defined contribution plan:

**Provident Fund:** A defined contribution plan is a post employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The company makes specified monthly contributions towards employee provident fund and pension to Government administered provident fund scheme and pension scheme which is a defined contribution plan. The Company has no further obligations under the plan beyond its monthly contributions. The company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

##### Defined benefit plan:

**Gratuity:** The company's gratuity benefit scheme is the defined benefit plan. The company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the company's obligation is performed by a qualified actuary using the projected unit credit method. The Companies gratuity scheme is administered by Life Insurance Corporation of India.

The company recognizes all actuarial gains and losses arising from the defined benefit plan immediately in the statement of profit and loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the statement of profit and loss. When the benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognized in the statement of profit and loss on a straight line basis over the average period until the benefits become vested. The company recognizes gains and losses on the curtailment or settlement of the plan when the curtailment or settlement occurs.

**Compensated absences:** The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method as at the balance sheet date.

### 2.14 Taxation

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Current tax and deferred tax assets and liabilities are offset to the extent to which the Company has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

### 2.15 Provisions, contingent liabilities and contingent assets

Provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of contingent liability is made when there is possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the standalone financial statements.



## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 2.16 Employee stock option based compensation

The Company calculates the compensation cost based on the fair value method, wherein the excess of the fair value of the underlying equity share as on the date of the grant of the option over the exercise price of the option given to the employees under the employee stock option scheme of the Company is amortised over the vesting period on a straight line basis. The Company follows the Guidance note on accounting for employee share based payments issued by Institute of Chartered Accountants of India for accounting for employee stock options.

### 2.17 Cash and cash equivalent

Cash and cash equivalents comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 2.18 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit or loss before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

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## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 3 Share capital

Particulars	As at	
	31 March 2025	31 March 2024
<b>Authorised:</b>		
<i>I. Equity shares</i>		
2,30,00,000 (31 March 2024 : 2,30,00,000) equity shares of INR 1 each	23,000	23,000
<b>Issued, subscribed and paid up :</b>		
<i>I. Equity shares</i>		
2,14,54,078 (31 March 2024 : 2,14,54,078) equity shares of INR. 1 each	21,454	21,454
Less : Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust -	(38)	(38)
Face value of 38,420 shares (31 March 2024 : 38,420 ) allotted to the trust	21,416	21,416
	<b>21,416</b>	<b>21,416</b>

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# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

## (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at		As at	
	31 March 2025		31 March 2024	
	Number of shares	Amount	Number of shares	Amount
<b>I. Equity shares</b>				
At the beginning and end of the year (face value INR 1 each)	21,454	21,454	1,238	1,238
Add: Conversion of preference shares and Series A equity shares	-	-	1,013	1,013
Add: Issue of bonus shares	-	-	13,507	13,507
Add: Issue of shares on account of IPO	-	-	5,696	5,696
At the end of the year	21,454	21,454	21,454	21,454
<b>II. 0.01% compulsorily convertible and non cumulative Series A preference shares</b>				
At the beginning and end of the year (face value INR 1 each)	-	-	469	469
Less: On conversion to equity shares	-	-	(469)	(469)
At the end of the year	-	-	-	-
<b>III. 0.01% compulsorily convertible and non cumulative Series B preference shares (face value INR. 1 each)</b>				
At the beginning of the year	-	-	544	544
Less: On conversion to equity shares	-	-	(544)	(544)
At the end of the year	-	-	-	-

## (c) Terms/rights attached to equity shares

As at the balance sheet date, the Company has only ordinary equity shares, having a par value of Re.1 per share each respectively.

Each holder of equity shares shall have one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.



**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

**(d) Details of shareholders holding more than 5% shares of a class of shares of the Company**

The shareholders, individually, holding more than 5% shares of a class of shares of the Company are as under :

Particulars	As at		As at	
	31 March 2025		31 March 2024	
	No. of shares	% holding	No. of shares	% holding
<b>I. Equity shares</b>				
Rajesh Nahar	30,45,000	14.20%	30,45,000	14.20%
Ritesh Katariya	35,70,000	16.60%	35,70,000	16.60%
Inventus Capital Partners (Mauritius) Ltd	21,71,939	10.10%	21,71,939	10.10%
Nadathur Estates Pvt. Ltd. for and on behalf of Ojas Partners	21,53,935	10.00%	21,53,935	10.00%
Forum Synergies India Trust	13,81,632	6.40%	13,81,632	6.40%
Agnus Ventures LLP	13,81,632	6.40%	13,81,632	6.40%

**(e) Shares held by promoters at the end of the year**

S. No	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Rajesh Nahar	30,45,000	14.20%	-
2	Ritesh Katariya	35,70,000	16.60%	-
	<b>TOTAL</b>	<b>66,15,000</b>	<b>30.80%</b>	

**(f) Bonus issue, buy back and issue of shares without payment being received in cash**

The Company allotted 1,35,06,924 equity shares of ₹1 each, in the ratio of 6:1, to the existing shareholders holding 22,51,154 equity shares pursuant to the bonus issue approved on August 16, 2023.



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(All amounts are in thousands except share data or as stated)

Particulars	As at	
	31 March 2025	31 March 2024
<b>I. General reserve</b>		
Balance at the beginning of the year	22,977	6,299
Add: Amount transferred to general reserve on account of forfeiture	164	583
Add: Amount transferred to general reserve on account of expiry of options granted to promoters	-	16,095
<b>Balance at the end of the year</b>	<b>23,141</b>	<b>22,977</b>
<b>II. Securities premium account</b>		
Balance at the beginning and end of the year	4,98,433	4,25,787
Add: Premium received on account of share issue	-	96,832
Less: Amounts utilised for share issue expenses*	(3,000)	(10,679)
Less: Amounts utilised for Issue of bonus shares	-	(13,507)
<b>Balance at the end of the year</b>	<b>4,95,433</b>	<b>4,98,433</b>
Note : The securities premium account balance is net of INR 89,25,020/- recoverable from the Net Avenue Technologies Private Limited Employees Welfare Trust.		
*The Company, considering the subsidy claim of ₹30 lakhs under the 'Subsidy for Fund Raising from SME Exchange' scheme as pending for over a year and based on oral communication of rejection from the department, has recognised the amount as share issue expense during the year and adjusted it against securities premium reserve. However, Company is continuing to pursue this claim with the appropriate authority.		
<b>III. Employee stock option outstanding</b>		
Balance at the beginning of the year	8,925	18,540
Add: Employee share options expenses	1,938	7,063
Less: Options exercised during the year	-	-
Less: Amount transferred to general reserve on account of forfeiture	(164)	(583)
Less: Amount transferred to general reserve on account of expiry of options granted to promoters	-	(16,095)
<b>Balance at the end of the year</b>	<b>10,699</b>	<b>8,925</b>
<b>IV. Surplus / (Deficit) in the statement of profit and loss</b>		
Balance at the beginning of the year	(4,50,173)	(4,32,924)
Profit/ (loss) for the year	(34,496)	(17,249)
<b>Balance at the end of the year</b>	<b>(4,84,669)</b>	<b>(4,50,173)</b>
<b>Total reserve and surplus</b>	<b>44,604</b>	<b>80,162</b>

	Long-term		Short-term	
	As at		As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for employee benefits:				
- for gratuity (refer note 34)	3,580	3,617	3,466	2,894
- for compensated absences	231	293	320	363
Provision for sales return allowance	-	-	1,528	1,607
	<b>3,811</b>	<b>3,910</b>	<b>5,314</b>	<b>4,864</b>



# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

## 6 Short-term borrowings

Particulars	As at	
	31 March 2025	31 March 2024
Overdraft facility from bank (secured) *	1,499	-
Unsecured Loans		
- Employees	-	-
- Related parties **	5,506	13,837
	<u>7,005</u>	<u>13,837</u>

\* Overdraft balance represents facility availed from IndusInd bank which carries interest rate at 8.5% per annum and are repayable on demand. The facility is secured against the fixed deposits of the Company. The company also has OD facility in IDFC Bank Limited which has been closed in the current year

\*\* The loan is repayable on demand. The loan is received from director and their relatives and is unsecured. (refer note 37)

## 7 Trade payables

Particulars	As at	
	31 March 2025	31 March 2024
- Dues to micro and small enterprises (refer note 32)	5,664	3,544
- Dues to creditors other than micro and small enterprises	20,512	28,339
	<u>26,176</u>	<u>31,883</u>
Trade Payables ageing schedule (refer note 42)		

## 8 Other current liabilities

Particulars	As at	
	31 March 2025	31 March 2024
Interest accrued and due on borrowings	192	85
Deferred income	3,049	397
Advance from customers	12,000	23,434
Accrued Expenses	10,834	8,424
Other statutory dues payable	462	812
Employee benefits payable	3,432	5,427
Payable to subsidiaries (refer note 37)	9,268	9,192
	<u>39,237</u>	<u>47,771</u>



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**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

Property, plant and equipment

**9 Tangible Assets**

Particulars	Leasehold improvements	Plant and Machinery	Office equipments	Furniture and fittings	Computers	Vehicle	Total
<b>Gross block</b>							
Balance as at 31 March 2023	229	2,083	2,607	4,428	8,297	319	17,964
Additions	-	21	224	100	116	-	460
Deletions / write off	-	-	25	-	-	-	25
Reclassification	-	-	-	-	-	-	-
Balance as at 31 March 2024	229	2,104	2,806	4,527	8,413	319	18,399
Additions	-	60	66	9	60	-	195
Deletions / write off	-	-	13	-	-	-	13
Balance as at 31 March 2025	229	2,164	2,859	4,536	8,473	319	18,580
<b>Accumulated depreciation</b>							
Balance as at 31 March 2023	200	665	2,365	3,073	7,414	147	13,864
Additions	16	260	171	347	443	44	1,281
Deletions / write off	-	-	4	-	-	-	4
Reclassification	-	-	-	-	-	-	-
Balance as at 31 March 2024	215	925	2,532	3,420	7,857	191	15,141
Additions	3	221	134	266	219	32	875
Deletions / write off	-	-	-	-	-	-	-
Balance as at 31 March 2025	218	1,146	2,666	3,686	8,076	223	16,016
<b>Net block</b>							
As at 31 March 2024	14	1,179	274	1,108	555	128	3,258
As at 31 March 2025	11	1,018	193	850	396	96	2,564

**10 Intangible Assets**

Particulars	Computer software
<b>Gross block</b>	
Balance as at 1 April 2023	10,153
Additions	-
Deletions / write off	-
Balance as at 31 March 2024	10,153
Additions	-
Deletions / write off	-
Balance as at 31 March 2025	10,153
<b>Accumulated amortization</b>	
Balance as at 1 April 2023	9,815
Additions	124
Deletions / write off	-
Balance as at 31 March 2024	9,939
Additions	75
Deletions / write off	-
Balance as at 31 March 2025	10,014
<b>Net block</b>	
As at 31 March 2024	214
As at 31 March 2025	139



# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

## 11 Non-current investments

Particulars	As at	
	31 March 2025	31 March 2024
<b>Trade investments (unquoted)</b>		
<i>Investment in equity shares</i>		
1,000 (31 March 2024 : 1,000) equity shares of Cbazaar.Com Inc a subsidiary, of USD 1 each, fully paid up	63	63
29,412 (31 March 2024 : 29,412) equity shares of Ethnoserve Bespoke Services Private Limited, an associate, of Re 1 each, fully paid up	249	249
Less: Impairment in value of investments	(312)	(312)
	-	-

## 12 Deferred tax assets

The Company has unabsorbed losses as per taxation laws. Since the Company does not have virtual certainty of future profits, the deferred tax assets have not been recognized.

## 13 Loans and advances

Particulars	Long-term		Short-term	
	As at		As at	
	31 March 2025	March 31, 2024	31 March 2025	March 31, 2024
<b>To parties other than related parties</b>				
<b>Deposits (unsecured, considered good)</b>				
Security deposit	2,969	3,095	-	-
	<b>2,969</b>	<b>3,095</b>	-	-
<b>Others (unsecured, considered good)</b>				
Prepayments	-	-	668	515
MAT Credit Entitlement	876	876	-	-
Balances with Income Tax authorities including refund receivable	-	-	-	-
Advances to employees	-	-	764	1,617
Deposit with Stock exchange	-	-	-	1,053
Advances to suppliers	-	-	2,371	2,926
Balance with government authorities	-	-	6,309	18,024
	<b>876</b>	<b>876</b>	<b>10,112</b>	<b>24,135</b>
<b>Others (unsecured, considered doubtful)</b>				
Security deposit	506	30	-	-
Balances with Income Tax authorities including refund receivable	-	-	2,180	2,504
Advances to suppliers	-	-	11,916	10,296
Advances to employees	-	-	9	100
Less: Provision for deposits, advances	(506)	(30)	(12,691)	(10,804)
	-	-	<b>1,414</b>	<b>2,096</b>
	<b>3,845</b>	<b>3,971</b>	<b>11,526</b>	<b>26,231</b>

## 14 Current Investments

Particulars	As at	
	31 March 2025	March 31, 2024
Investment in Mutual Funds (At cost)	37,267	52,212
	<b>37,267</b>	<b>52,212</b>

Name	Units
ICICI Pru All Seasons Bond	3,06,593
HDFC Low Duration	1,33,012
ICICI Pru Equity Arbitrage	1,66,925
ICICI Pru Liquid	462
Kotak Equity Arbitrage Fund	1,49,132
Edelweiss Arbitrage Fund	2,87,454
SBI Arbitrage Opp Fund	1,64,932
<b>Total</b>	<b>12,08,510</b>





**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**
**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

**15 Inventories**

(Valued at the lower of cost and net realisable value)

Particulars	As at	
	31 March 2025	March 31, 2024
Raw materials and components	12,579	21,380
Work-in-progress	2,265	7,649
Finished goods (goods in transit amounts to INR 971K ; PY INR 2242K)	31,784	40,668
Stock-in-trade (goods in transit amount to INR 436K ; PY INR 1111K)	8,177	7,654
	54,805	77,351
Less : Provision for non-moving inventory	(25,901)	(22,268)
	<b>28,904</b>	<b>55,083</b>

**16 Trade receivables**

Particulars	As at	
	31 March 2025	March 31, 2024
<b>Receivables outstanding for a period exceeding six months from the date they became due for payment</b>		
-Secured, considered good	-	-
-Unsecured, considered good	-	-
-Considered doubtful	-	483
Less: Provision for doubtful receivables	-	(483)
	-	-
<b>Other receivables</b>		
-Secured, considered good	-	-
-Unsecured, considered good	3,223	3,732
Less: Provision for doubtful receivables	-	-
	<b>3,223</b>	<b>3,732</b>
Trade Receivables ageing schedule (refer note 43)	<b>3,223</b>	<b>3,732</b>

**17 Cash and bank balances**

Particulars	As at	
	31 March 2025	March 31, 2024
<b>Cash and cash equivalents</b>		
Cash on hand	5	41
<b>Balances with banks</b>		
On current accounts	9,709	3,983
<b>Other bank balances</b>		
Deposits with original maturity of more than 3 months and less than 12 months	8,291	7,741
Deposits (held as security against borrowings/guarantee)	15,947	14,894
	<b>33,952</b>	<b>26,659</b>

**18 Other current assets**

Particulars	As at	
	31 March 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Receivable from subsidiaries	20,534	18,161
Export Incentive Receivable	283	-
Others	-	31
<b>Unsecured, considered doubtful</b>		
Receivable from subsidiaries	2,170	2,170
Less: Provision for doubtful receivables (Refer Note 36)	(2,170)	(2,170)
<b>To parties other than related parties</b>		
<b>Unsecured, considered good</b>		
Subsidy receivable on account of listing expenses *	-	3,000
Interest accrued on deposit with bank	206	210
<b>Unsecured, considered doubtful</b>		
Others	697	1,282
Less: Provision for doubtful receivables	(697)	(1,161)
	<b>21,023</b>	<b>21,523</b>

\* The Company, considering the subsidy claim of ₹30 lakhs under the 'Subsidy for Fund Raising from SME Exchange' scheme as pending for over a year and based on oral communication of rejection from the department, has recognised the amount as share issue expense during the year and adjusted it against securities premium reserve. However, Company is continuing to pursue this claim with the appropriate authority.



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**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

**19 Revenue from operations**

Particulars	Year ended	
	31 March 2025	31 March 2024
Sale of products	2,45,998	2,47,315
Other operating revenue	25,151	19,738
	<b>2,71,149</b>	<b>2,67,053</b>

**20 Other income**

Particulars	Year ended	
	31 March 2025	31 March 2024
Interest income on bank deposits	1,814	1,425
Interest on IT Refunds	28	-
Discount received from vendor	517	796
Provision no longer required written back / vendor write back	2,936	-
Other Non Operating income	976	466
	<b>6,271</b>	<b>2,687</b>

**21 Cost of materials consumed (Fabrics)**

Particulars	Year ended	
	31 March 2025	31 March 2024
Inventory of raw materials at the beginning of the year	21,380	25,070
Add: Purchases during the year	3,681	11,780
Less : Inventory of raw materials at the end of the year*	(12,579)	(21,380)
	<b>12,482</b>	<b>15,470</b>

\*Inventory write down of Rs.2,109 thousands has been included under Cost of Materials Consumed (31 March 2024 : Nil)

**22 Purchases of stock in trade**

Particulars	Year ended	
	31 March 2025	31 March 2024
Apparels	61,636	40,399
	<b>61,636</b>	<b>40,399</b>

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**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

**23 Changes in inventory of work-in-progress and stock-in-trade**

Particulars	Year ended	
	31 March 2025	31 March 2024
Inventories at the beginning of the year		
Work-in-progress	7,649	10,610
Finished goods	40,668	33,709
Stock-in-trade	7,654	13,456
Inventories of stock in trade at the end of the year*		
Work-in-progress	(2,265)	(7,649)
Finished goods	(31,784)	(40,668)
Stock-in-trade	(8,177)	(7,654)
	<b>13,745</b>	<b>1,804</b>

\*Inventory write down of Rs.1,646 thousands has been included under Changes in Inventories (31 March 2024 : Nil)

**24 Employee benefits expense**

Particulars	Year ended	
	31 March 2025	31 March 2024
Salaries, wages and bonus *	40,221	43,173
Contribution to provident and other funds	1,901	2,725
Employee stock compensation expenses	1,938	7,063
Staff welfare expenses	1,424	970
	<b>45,484</b>	<b>53,931</b>

\* Related party ( refer note 37)

**25 Finance cost**

Particulars	Year ended	
	31 March 2025	31 March 2024
Interest		
- to banks	16	801
- to related parties	594	948
	<b>610</b>	<b>1,749</b>



**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

**26 Depreciation and amortisation**

Particulars	Year ended	
	31 March 2025	31 March 2024
Depreciation on property, plant and equipment (refer note 9)	875	1,281
Amortisation of intangible assets (refer note 10)	75	124
	<b>950</b>	<b>1,405</b>

**27 Other expenses**

Particulars	Year ended	
	31 March 2025	31 March 2024
Fabric conversion & Redesign charges	26,884	33,541
Internet banking and other charges	8,234	7,798
Marketing expenses	3,323	4,034
Advertisement and business promotion expenses	53,169	45,315
Power and fuel	1,454	1,394
Printing and stationery	541	624
Repairs and maintenance		
- Computers	154	230
- Others	648	1,050
Insurance	597	688
Office expenses	1,083	1,259
Rates and taxes	223	408
Rent	3,703	3,441
Professional and technical fees (includes payment to auditor refer note 31)	10,588	9,502
Travelling and conveyance	1,279	900
Freight and handling charges	46,444	39,146
Collection Charges	2,942	4,042
Communication expenses	40	140
Provision for non moving inventory	3,633	11,693
Foreign exchange fluctuation Loss (net)	456	408
Provision for doubtful debts/ advances	1,749	4,064
Bank charges	169	97
Bad Debts written off	986	-
Miscellaneous expenses	2,870	2,456
Provision for amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust	5,840	-
	<b>1,77,009</b>	<b>1,72,231</b>

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**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")****Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

**28 Contingent liabilities and commitments (in INR)****a) Contingent liabilities**

1. The Company has appointed Cbazaar.com, Inc, USA ("CB INC") as a Business Associate who shall assist and accept orders from various customers and also collect payment from these customers on behalf of the Company, for which the Company pays commission charges to CB INC. The Company also reimburses certain expenditures like marketing, internet banking and other charges which are incurred on its behalf to CB INC. The Company based on a legal opinion believes that service tax/goods and services tax is not applicable on such transactions and accordingly, no provision has been made for service tax/Goods and Services Tax in these financial statements.

2. Demand Raised for Rs.17,80,880/- by Income tax authorities for AY 2011-12, the reason being challan paid was not considered by the IT Authority

3. Demand Raised for Rs.10,77,460/- by Income tax authorities for AY 2020-21, the reason being inconsistency between tax audit report and ITR

4. Demand Raised for Rs.33,20,270/- by Income tax authorities for AY 2022-23, the reason being disallowance of marketing expenses claimed in ITR.

5. Demand Raised for Rs.1,67,712/- by Income tax authorities for AY 2021-22, the reason being disallowance of some expenses claimed in ITR.

6. In the Current year, the company has received a notice from the GST department based on audit for the period FY 2018 to 2023 for non-payment of GST as leviable on reimbursement of expenses to subsidiary company for Rs2,65,82,814 (excluding interest and penalty)

**b) Commitments**

Particulars	As at	
	31 March 2025	31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Guarantees given	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**29 Earnings in foreign currency (on accrual basis)**

Particulars	Year ended	
	31 March 2025	31 March 2024
FOB value of exports	2,07,077	1,88,267
Shipping charges	20,876	14,557
<b>Total</b>	<b>2,27,953</b>	<b>2,02,824</b>

**30 Expenditure in foreign currency (on accrual basis)**

Particulars	Year ended	
	31 March 2025	31 March 2024
Advertisement, Marketing and business promotion expenses	45,323	32,827
Internet banking and other charges	8,108	7,314
Professional and technical fees	6,484	7,012
Communication expenses	5	3
Others	2,064	2,000
<b>Total</b>	<b>61,984</b>	<b>49,155</b>

**31 Payment to auditors (excluding service tax / goods service tax)**

Particulars	Year ended	
	31 March 2025	31 March 2024
As auditor		
Statutory audit Fee	645	445
Others	80	440
<b>Total</b>	<b>725</b>	<b>885</b>



## Notes to the standalone financial statements for the year ended 31 March 2025

32 Micro and small enterprises

Particulars	As at 31 March 2025	As at 31 March 2024
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	5,664	3,544
Interest on the above, remaining unpaid at the end of the accounting year	258	375
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	313	530
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The Company does not use any derivative instruments to hedge its foreign currency assets / liabilities. The details of foreign currency balance which are not hedged are as follows:

Particulars	As at	
	31 March 2025	31 March 2024
<b>Receivable</b>		
Foreign currency equivalent (USD)	266	244
Indian Rupee equivalent	22,704	20,331
<b>Payable</b>		
Foreign currency equivalent (USD)	119	110
Indian Rupee equivalent	10,164	9,192





# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

## 34 Employee benefits

### Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to INR 1,745K (previous year : INR 2,514K )

### Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method. The gratuity plan entitles regular employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

Gratuity		
Particulars (Changes in the Present Value of Obligation)	31 March 2025	31 March 2024
Present Value of Obligation as at the beginning	7,479	6,931
Interest Cost	531	497
Current Service Cost	463	475
Benefits Paid	(334)	(566)
Actuarial (Gain) / Loss on the Obligation	(20)	143
Present Value of Obligation as at the end	8,118	7,479

Gratuity		
Particulars (Changes in the Fair Value of Plan Assets)	31 March 2025	31 March 2024
Fair Value of Plan Assets as at the beginning	968	1,216
Expected Return on Plan Assets	69	92
Employer's Contributions	349	239
Benefits Paid	(301)	(566)
Actuarial Gain / (Loss) on the Plan Assets	(13)	(11)
Fair Value of Plan Assets as at the end	1,072	968

Gratuity		
Particulars (Expense recognised in P&L)	31 March 2025	31 March 2024
Current Service Cost	463	475
Interest Cost	531	497
Expected Return on Plan Assets	(69)	(92)
Net Actuarial (Gain) / Loss recognised in the period	(7)	154
Expenses Recognised in statement of Profit and Loss	918	1,035

Disclosure requirements under Revised Accounting Standard 15 (Revised) on employee benefits

Particulars	Year ended	Year ended
	31 March 2025	31 March 2024
Discount rate	6.45%	7.10%
Salary escalation	9.00%	8.00%
Attrition rate	40.00%	35.00%

## 35 Leases

The Company has entered into operating lease arrangements for the lease of office premises. The lease payments recognised in the statement of profit and loss for the year ended 31 March 2025 amounts to INR 3,703K (31 March 2024: INR 3441K)

## 36 Payables/receivables to/from subsidiaries

As on 31st March 2025, the Company has outstanding foreign currency payable and receivable balances to/from its wholly-owned subsidiary. These balances relate to inter-company transactions with its subsidiary towards procurement of services, reimbursement of expenses, collections made by the subsidiary company on behalf of the Holding Company etc. in the past and the current year. Further, during the financial year ended 31st March 2025, the Company has evaluated the recoverability of receivables from its subsidiary by assessing its financial position, including bank balances and other assets. Based on this evaluation, the Company has is confident of realising its receivables in due course.



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# Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

## 37 Related party transactions

### (a) The company had transactions with the following related parties

Key management personnel	Mr. Rajesh Nahar (Director) Mr. Ritesh Kataria (Director)
Relatives of key management personnel	Mrs. Kasturi Devi Mrs. Manju Shree Mrs. Sarala Nahar
Subsidiary	Cbazaar.com Inc, United States of America
Enterprise over which the Company exercise a significant influence	Ethnoserve Bespoke Services Private Limited
Enterprises owned or significantly influenced by key managerial personnel or their relatives	Net Avenue Technologies Private Limited Employees Welfare Trust
Enterprise in which Director's relatives are interested	Aviato Software Solutions Private Limited

Pioneer Tradings Limited, United Kingdom strike off from Registrar of United Kingdom with effect from February 28th, 2023 and dissolved on March 07th, 2023

### (b) Related party transactions

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>I. Remuneration paid</b>		
Mr. Rajesh Nahar	7,415	6,467
Mr. Ritesh Kataria	7,500	6,667
Mrs. Sarala Nahar	180	620
<b>II. Marketing, internet banking and other expense</b>		
Cbazaar.com Inc	59,289	48,133
Aviato Software Solutions Private Limited	487	-
<b>III. Collections received on behalf of the Company</b>		
Cbazaar.Com Inc	2,23,706	2,16,712
<b>IV. Payments received out of collections received on behalf of the Company</b>		
Pioneer Tradings Limited	-	-
Cbazaar.Com Inc	(2,12,492)	(2,84,931)
<b>V. Sale of property, plant and equipment:</b>		
Ethnoserve Bespoke Services Private Limited	-	-
<b>VI. Loans availed from / (paid to) key management personnel (KMP) and relative of</b>		
Mr. Ritesh Kataria	(4,175)	1,900
Mr. Rajesh Nahar	(500)	-
Mrs. Manju Shree	(3,000)	600
Mrs. Kasturi Devi	(656)	-
<b>VII. Interest on loan paid key management personnel (KMP) and relatives of KMP</b>		
Ms. Kasturi Devi	13	196
Mr. Rajesh Nahar	-	57
Ms. Manju Shree	190	521
Ms. Sarala Nahar	-	142
Mr. Ritesh Kataria	224	455
<b>VIII. Business Facilitation Fees:</b>		
Cbazaar.Com Inc	497	487
<b>IX. Sale of Products</b>		
Mr. Rajesh Nahar	10	-
<b>X. Reimbursement of Expenses:</b>		
Mr. Rajesh Nahar	12	-
Mr. Ritesh Kataria	205	147

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**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**
**Notes to the standalone financial statements for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

**(c) Balances as at the year end:**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Cbazaar.com Inc</b>		
Receivable	22,704	20,331
Payable	9,268	9,192
<b>B. Ethnoserve Bespoke Services Private Limited</b>		
Receivable	-	-
Payable	-	-
<b>C. Aviato Software Solutions Private Limited</b>		
Receivable	-	-
Payable	82	-
<b>D. Salary Payable</b>		
Mr. Rajesh Nahar	1,264	1,650
Mr. Ritesh Kataria	1,317	1,676
Mrs. Sarala Nahar	92	-
<b>E. Amount receivable from Net Avenue Technologies Private Limited Employees Welfare Trust (Net)</b>	5,120	10,960
<b>F. Balance payable to key managerial personnel / relatives of key managerial personnel - Unsecured loans</b>		
Ms. Kasturi Devi	-	656
Ms. Manju Shree	-	3,000
Ms. R Sarala Nahar	-	-
Mr. Rajesh Nahar	2,753	3,253
Mr. Ritesh Kataria	2,753	6,928
<b>G. Interest on loan payable key management personnel (KMP) and relatives of</b>		
Ms. Kasturi Devi	-	6
Mr. Rajesh Nahar	49	5
Ms. Manju Shree	106	28
Ms. Sarala Nahar	-	-
Mr. Ritesh Kataria	37	46
<b>H. Reimbursement of expense payable - Advance to employees</b>		
Mr. Ritesh Kataria	-	147

**38 Earnings per share (EPS)**
**Basic and diluted earnings per share (INR.)**

Particulars	31 March 2025	31 March 2024
<b>Earnings</b>		
Profit/ (loss) for the year	(34,496)	(17,249)
Less: Dividends on preference shares and tax thereon	-	-
<b>Net profit/ (loss) attributable to equity shareholders for calculation of basic EPS</b>	<b>(34,496)</b>	<b>(17,249)</b>
Outstanding number of shares		
Weighted average number shares for basic earnings per share	<b>21,416</b>	<b>3,636</b>
Effect of bonus issue	-	13,507
Effect of potential equity shares	-	-
Compulsorily convertible Series A preference shares	-	-
Compulsorily convertible Series B preference shares	-	-
Effect of Options issued, where there is no anti dilutive	-	-
Weighted average number shares for diluted earnings per share	<b>21,416</b>	<b>17,143</b>
<b>Basic earnings per share</b>	<b>(1.61)</b>	<b>(1.01)</b>
<b>Diluted earnings per share</b>	<b>(1.61)</b>	<b>(1.01)</b>





## Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")

Notes to the standalone financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 39 Employee share-based payment plans

(a)

During the year ended 31 March 2014, the Company had formed an ESOP trust, "Net Avenue Technologies Private Limited Employees Welfare Trust". The Company had framed the guidelines on issue of shares to its employees. The ESOP trust has purchased 46,980 shares from the shareholders and subscribed additionally for 38,420 shares issued by the Company at a premium of Rs 232 per share for the purpose of issuing it to the employees. Share premium of Rs 89,13,440 on these 38,420 shares has been since reversed from Securities premium account. Similarly 38,420 shares (Rs 38,420) have been reduced from share capital as consideration not received. The Company had accounted for the ESOP in accordance with Guidance Note on Accounting for Employee Share Based Payments. Accordingly, the loan given to the ESOP trust against 46,980 shares has been disclosed as "Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust" in the balance sheet and the shares purchased out of the loan are shown as a part of the share capital.

During the current financial year, the Company has made a provision in respect of amounts receivable from Net Avenue Technologies Private Limited Employees Welfare Trust. This provision is based on the exercise price of stock options as determined under the Company's ESOP scheme. The net amount of shares held by the Employees Welfare Trust has been valued at the said exercise price, and any shortfall in recoverability has been duly provided for:

Particulars	2024-25	2023-24
Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust (net)	10,960	10,960
Less: Provision	(5,840)	-
<b>Net Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust (net)</b>	<b>5,120</b>	<b>10,960</b>

### (b) Details of the shares reserved for issue under options

The Company issued options under the Employees stock option policy 2013 ("2013 Plan") in the financial year 2013-2014. The 2013 Plan covers all employees on the permanent rolls of the Organisation and who can be assigned eligibility scores using an ESOP Scoring Matrix 2013. The objective of this 2013 Plan is to encourage ownership of the Company's equity by its employees on an ongoing basis. The 2013 Plan is intended to reward the employees for their contribution to the successful operation of the Company and to provide an incentive to continue contributing to the success of the company.

In FY 24-25, the board has approved in its meeting dated 25th May 2024 for issuance of 6 bonus options for the existing options issued prior to Aug 2023 and also reduced the exercise price from Rs 100 to Rs 60 for 7 options and also the exercise period is extended to 14 years. Accordingly the same is considered as modification to the ESOP scheme and considered the effect of the same in the Financial statements for the year ended 31st March 2024.

The terms in the ESOP policy was modified as follows: Exercise price was changed to Rs 60 from Rs 100. The exercise period has been increased to 10 years from 4 years.

The scheme provides that these options would be vested in tranches as follows

Period within which the option will vest unto the participant	% of options that will vest
One Year from the date of acceptance of offer	30%
Two Years from the date of acceptance of offer	30%
Three Years from the date of acceptance of offer	20%
Four Years from the date of acceptance of offer	20%

Presumptions used in fair value computations:

Grant date	15-Oct-13	01-Jul-14	Various dates in 2014-15	Various dates in 2015-16	01-Jul-16	01-Jul-17	01-Jul-18	01-Oct-21	01-Jul-23	01-Jan-24
Options granted	23400	1500	2500	13600	3700	50616	3500	21450	18100	38500
Vesting period	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years
Expected option life	2.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years
Risk free rate	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%
Option value as on grant date	151	151	151	430	486	357	357	154	13	27

The fair value of stock options has been determined using the Black Scholes option pricing model.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Options granted and outstanding at the beginning of the year	3,68,550	75,866
Add: Options granted during the year	-	56,600
Less: Exercised during the year	-	-
Less: Expired during the year	-	(45,116)
Less: Forfeited during the year	(13,300)	(1,700)
Add: Bonus options issued, post balance sheet date	-	2,82,900
Options granted and outstanding at the end of the year	3,55,250	3,68,550

### 40 Transfer pricing

The Company has international transactions with related parties. For the year ended 31 March 2024, the Holding Company has obtained the Accountant's Report from a Chartered Accountant as required by the relevant provisions of the Income-tax Act, 1961 and has filed the same with the tax authorities. For the financial year ending 31 March 2025, the management confirms that it maintains documents as prescribed by the Income-tax Act, to prove that these International transactions are at arm's length and the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

### 41 Prior year comparatives

Prior year comparatives have been regrouped / reclassified wherever necessary to conform with current year's classification.





**Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")**  
**Notes to the standalone financial statements for the year ended 31 March 2025**  
(All amounts are in thousands except share data or as stated)

**42 Trade Payables ageing schedule**

Particulars	Outstanding for following periods from invoice date*				
	Less than 1 year	1-2 years	2-3 Years	More than 3 Years	Total
(i)MSME	5,664	-	-	-	5,664
(ii)Others	20,513	-	-	-	20,513
(iii) Disputed dues – MSME	-	-	-	-	-
(iv)Disputed dues - Others	-	-	-	-	-
<b>As at 31 March 2025</b>	<b>26,176</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,176</b>
(i)MSME	3,291	252	-	-	3,543
(ii)Others	26,897	584	859	-	28,340
<b>As at 31 March 2024</b>	<b>30,188</b>	<b>836</b>	<b>859</b>	<b>-</b>	<b>31,883</b>

\*Represents Outstanding taken from the date of invoice with on-account receipts accounted for on FIFO basis.

**43 Trade Receivables ageing schedule**

Particulars	Outstanding for following periods from Invoice date*				
	Less than 6 months	6 months - 1 year	1 - 2 Years	2 - 3 Years	More than 3 years
(i) Undisputed Trade receivables – considered good	3,070	153	-	-	-
(ii) Undisputed Trade receivables – considered doubtful	-	-	-	-	-
<b>Total Trade Receivables</b>	<b>3,070</b>	<b>153</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Less - Doubtful receivables</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2025</b>	<b>3,070</b>	<b>153</b>	<b>-</b>	<b>-</b>	<b>-</b>
(i) Undisputed Trade receivables – considered good	3,277	455	-	-	-
(ii) Undisputed Trade receivables – considered doubtful	-	-	483	-	-
<b>Total Trade Receivables</b>	<b>3,277</b>	<b>455</b>	<b>483</b>	<b>-</b>	<b>-</b>
<b>Less - Doubtful receivables</b>	<b>-</b>	<b>-</b>	<b>483</b>	<b>-</b>	<b>-</b>
<b>As at 31 March 2024</b>	<b>3,277</b>	<b>455</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Represents Outstanding taken from the date of invoice.

**44 Financial ratios**

Particulars	March 31, 2025	March 31, 2024	Variance %	Reason for variance more than 25%
(a) Current Ratio,	1.75	1.89	-7%	
(b) Debt-Equity Ratio,	0.33	0.65	-49%	Due to repayment of loan
(c) Debt Service Coverage Ratio,	(4.33)	(0.90)	378%	Due to higher losses as compared to PY
(d) Return on Equity Ratio	-161.07%	-80.54%	100%	Due to higher losses as compared to PY
(e) Inventory turnover ratio,	6.46	5.18	25%	
(f) Trade Receivables turnover ratio	77.97	36.08	116%	Due to higher turnover as compared to PY
(g) Trade payables turnover ratio,	2.25	2.24	0%	
(h) Net capital turnover ratio	4.66	3.07	52%	Due to higher turnover as compared to PY
(i) Net profit ratio	-12.72%	-6.46%	97%	Due to higher losses as compared to PY
(j) Return on Capital employed *	Not Applicable	Not Applicable	Not Applicable	
(k) Return on investment,	Not Applicable	Not Applicable	Not Applicable	

\* since company is incurred losses in the past and networth being negative in last year, return on capital employed is marked as NA for previous year

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Net Avenue Technologies Limited (Formerly "Net Avenue Technologies Private Limited")  
Notes to the standalone financial statements for the year ended 31 March 2025  
(All amounts are in thousands except share data or as stated)

**45 Other statutory information**

i The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii The Company does not have any transactions with companies struck off.

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

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

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

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

- v 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

vi The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

vii The Company has not traded or invested in crypto currency or virtual currency during the financial year.

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No. 003990S/S200018

*P. Devi*  
**P. Devi**  
Partner  
Membership No. 223137  
Place : Chennai  
Date : 29 May 2025



for and on behalf of the Board of Directors of

**Net Avenue Technologies Limited**

CIN : U72900TN2001PTC047220

*R. Katariya*

**Rhesh Katariya**  
Whole-time director  
DIN: 01019455  
Place : Surat  
Date : 29 May 2025

*Pranish Arthanari*  
**Pranish Arthanari**  
Chief Financial Officer  
Place : Surat  
Date : 29 May 2025

*P. Rajendran*

**Rajesh Nahar**  
Managing Director  
DIN: 01075089  
Place : Chennai  
Date : 29 May 2025

*Pranish Arthanari*  
**Pranish Arthanari**  
Company Secretary  
Place : Surat  
Date : 29 May 2025



**INDEPENDENT AUDITORS' REPORT**

To the Members of Net Avenue Technologies Limited

**Report on the Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of Net Avenue Technologies Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), and its associate which comprise the consolidated Balance Sheet as at March 31, 2025, the consolidated statement of Profit and Loss and the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the other financial information of the subsidiary and its associate, 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 and its associate as at March 31 2025, and their consolidated loss, and consolidated cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.



Sl. No	Key Audit Matter	How our audit addressed the Key Audit Matter
1.	<p><b>Revenue Recognition</b></p> <p>The Company is engaged in the sale of Indian designer clothes and accessories. The Company has its own website and also sells its goods on e-commerce sites.</p> <p>The Company's revenue is derived primarily from sale of goods. As per its accounting policy, revenue is recognized when significant risks and rewards of ownership are transferred to the buyer, which generally coincides with the time of delivery of goods to the customer.</p> <p>Given the volume and variety of transactions, including the incidence of sales returns, there is a risk of inappropriate timing of revenue recognition and inaccurate estimation of sales returns, which could lead to misstatement of revenue.</p> <p>Accordingly, the timing of revenue recognition and the estimation of sales return provisions have been identified as a Key Audit Matter.</p> <p>The accounting policies (Refer Note 2.7) provide additional information on how the Company accounts for its revenue</p>	<p>Our audit included but was not limited to the following procedures:</p> <p>Among other procedures, we obtained an understanding of the revenue recognition process including the design and implementation of relevant controls.</p> <p><b>Accounting policies:</b> Assessed whether the Company's revenue recognition policy is consistent with the requirements of AS 9.</p> <p><b>Tests of details:</b></p> <ul style="list-style-type: none"> <li>Performed substantive testing of selected revenue transactions recorded during the year and near year-end, including verification of underlying documents such as sales contracts, invoices, delivery challans and goods dispatch notes.</li> <li>Verified that revenue was recognized only when risks and rewards had been transferred and no significant uncertainty existed regarding the amount or its collection.</li> <li>Reviewed sales transactions recorded either side of year end as well as credit notes issued after the year end date to determine whether revenue was recognized in the correct period.</li> <li>Reviewed the methodology and assumptions used by management to estimate provisions for sales returns, including testing the historical data used to support such estimates and assessing whether the provision was reasonable and consistent with past trends, current circumstances, and the latest information available subsequent to the balance sheet date.</li> <li>Compared the current year estimates to the prior year and, where relevant, completing further inquiries and testing.</li> <li>Performed analytical procedures to identify any unusual trends or variances in revenue and sales returns. Reviewed significant fluctuations and obtained explanations from management.</li> </ul>





		<p><b>Control testing:</b></p> <p>Tested key controls over revenue recognition, including review of management's testing for operating effectiveness.</p> <p><b>Disclosures:</b></p> <p>Tracing disclosure information to accounting records and other supporting documentation.</p>
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### Information Other than the Consolidated Financial Statements and Auditors' Report Thereon

The Holding Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Directors report but does not include the consolidated financial statements and our auditors' report thereon. The annual report / Director's report is expected to be made available to us after the date of auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, and consolidated cash flows of the Group including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the company included in the Group and of its associate 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.



In preparing the consolidated financial statements, the respective Board of Directors of the company included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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, its subsidiary company and its associate company, which are companies incorporated in India have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group and its associate 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 and its associate 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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Other Matters**

We did not audit the financial statements of the subsidiary (Cbazaar.com INC) whose financial statements reflect total assets of Rs. 7,041 thousand (before consolidation adjustments) and net assets of Rs. (6,506) thousands (before consolidation adjustments) as at March 31, 2025, total revenues of Rs. 65,236 thousand (before consolidation adjustments) and net cash inflows amounting to Rs.250 thousands for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 2 thousand for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of 1 associate whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, and our report in terms of sub-section (3) of Section 143 and sub-section (11) of Section 197 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. 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 the financial information certified by the Management.



### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, based on our audit and other financial information of subsidiary and its associate, as noted in the 'Other matters' paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for non-compliance (pertaining to the Holding Company) with the requirement of maintaining daily backups on servers physically located in India, as mandated under proviso to Rule 3 of the Companies (Accounts) Rules, 2014. Attention is also drawn to the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards (AS) specified under Section 133 of the Act.
  - e) The observation relating to the maintenance of accounts and other matters connected therewith are as stated the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - f) 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, 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 except for the directors of associate company.
  - g) With respect to adequacy of the internal financial controls with reference to financial statements of the Holding Company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to financial reporting of those companies, for reasons stated therein.
  - h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration other financial information of the subsidiary and associate, as noted in the 'Other Matters' paragraph:



- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associate – Refer Note 28 to the consolidated financial statements.
- ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There are no amounts, that are required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate company incorporated in India.
- iv. (a) The management of Holding Company, and associate company incorporated in India has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and associate company incorporated in India to or in any other person(s) or entity(ies), 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 and associate company incorporated in India (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The management of the Holding Company and associate company incorporated in India has represented, that, to the best of it’s knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company, and associate company incorporated in India 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 such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. The Board of Directors of the Company have not paid / declared any dividend during the financial year. Accordingly, reporting on compliance with the provisions of Section 123 of the Act are not applicable.
- vi. Relying on representations/explanations from the company and software vendor and based on our examination which included test checks, the holding Company has used,
  - Accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. The accounting software is such that it has no database but only objects and collections, hence, no changes is possible at that level.



- Inhouse developed software which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for this software.
  - Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
  - The audit trail has been preserved by the company as per the statutory requirements for record retention.
  - No audit trail is enabled throughout the year by associate company for its books of accounts
3. As required by Section 197(16) of the Act, we report that the remuneration paid by the Holding Company to its directors is in accordance with the prescribed provisions and the remuneration paid to every director is within the limit specified under Section 197.

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018



**P.DEVI**

Partner

Membership No. 223137

UDIN: 25223137BMINV18384



Place of Signature: Chennai

Date: May 29, 2025

## Annexure A

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

(i) As required by Paragraph (xxi) of Companies (Auditor's Report) Order (CARO), there have been no qualifications or adverse remarks by the respective auditors in the CARO reports of the companies incorporated in India and included in the consolidated financial statements except:

Name of the entity	CIN	Nature of Relationship	Clause number of the CARO report which is qualified or adverse
Net Avenue Technologies Limited	U72900TN2001PLC047220	Holding company	Clause (iia) , (viiia), (xvii)

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018

*P. Devi*



**P.DEVI**

Partner

Membership No. 223137

UDIN: 25223137BMINV18384

Place of Signature: Chennai

Date: May 29, 2025



## **Annexure B**

**Referred to in paragraph 2(f) on 'Report on Other Legal and Regulatory Requirements' of our report of even date on the consolidated financial statements of Net Avenue Technologies Limited**

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

In conjunction with our audit of the consolidated financial statements of Net Avenue Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is company incorporated in India, and for which reporting under this clause is applicable, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting based on our audit of the holding Company, which is the company incorporated in India. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls over financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the





maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit 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 over Financial Reporting**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us the Holding Company, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting statements were operating effectively as at March 31, 2025, based on the internal financial controls over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.003990S/S200018



**P.Devi**

Partner

Membership No. 223137

UDIN: 25223137BMINV18384



Place of Signature: Chennai

Date: May 29, 2025

# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Consolidated balance sheet as at 31 March 2025

(All amounts are in thousands except share data or as stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	21,416	21,416
Reserves and surplus	4	40,370	83,073
		<b>61,786</b>	<b>1,04,489</b>
<b>Non-current liabilities</b>			
Long-term provisions	5	3,811	3,910
		<b>3,811</b>	<b>3,910</b>
<b>Current liabilities</b>			
Short-term borrowings	6	7,005	13,837
Trade payables	7		
- Total outstanding dues to micro and small enterprises		5,664	3,544
- Total outstanding dues to creditors other than micro and small enterprises		18,871	22,507
Other current liabilities	8	31,658	39,515
Short-term provisions	5	5,314	4,865
		<b>68,512</b>	<b>84,267</b>
<b>TOTAL</b>		<b>1,34,109</b>	<b>1,92,666</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment & Intangibles			
a) Tangible assets	9	2,564	3,258
b) Intangible assets	10	139	214
Non-current investments	11	39	41
Deferred tax asset (net)	12	-	-
Amount recoverable from Net Avenue Technologies Private Limited	35	5,120	10,960
Employees Welfare Trust			
Long-term loans and advances	13	3,845	3,971
		<b>11,707</b>	<b>18,444</b>
<b>Current assets</b>			
Current investments	14	37,267	52,212
Inventories	15	28,904	55,083
Trade receivables	16	3,223	3,732
Cash and bank balances	17	39,616	32,073
Short-term loans and advances	13	12,903	27,760
Others current assets	18	489	3,361
		<b>1,22,402</b>	<b>1,74,222</b>
<b>TOTAL</b>		<b>1,34,109</b>	<b>1,92,666</b>

Significant accounting policies

2

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No: .003990S/S200018



**P Devi**

Partner

Membership No. 223137

Place : Chennai

Date : May 29 2025

for and on behalf of the Board of Directors of

**Net Avenue Technologies Private Limited**

CIN : U72900TN2001PTC047220

**Ritesh Katariya**  
Whole-time director  
DIN: 01019455  
Place : Surat  
Date : May 29 2025

**Prakash Arthanari**  
Chief Financial Officer  
Place : Surat  
Date : May 29 2025



**P. Rajan**

**Rajesh Nahar**  
Managing Director  
DIN: 01015059  
Place : Chennai  
Date : May 29 2025

**Bhishma Darshan Dadwani**  
Company Secretary  
Place : Surat  
Date : May 29 2025

**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**

**Consolidated statement of profit and loss for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>Income</b>			
Revenue from operations	19	2,71,149	2,67,053
Other income	20	6,271	2,687
<b>Total income</b>		<b>2,77,420</b>	<b>2,69,740</b>
<b>Expenses</b>			
Cost of materials consumed	21	12,482	15,470
Purchases of stock-in-trade	22	61,636	40,399
Changes in inventory of work-in-progress and stock-in-trade	23	13,745	1,804
Employee benefits	24	45,484	53,931
Finance cost	25	610	1,749
Depreciation and amortisation	26	950	1,405
Other expenses	27	1,84,152	1,75,922
<b>Total expenses</b>		<b>3,19,059</b>	<b>2,90,680</b>
<b>Profit before exceptional items and tax</b>		<b>(41,639)</b>	<b>(20,940)</b>
<b>Exceptional items</b>	38	-	5,130
<b>Profit / (loss) before tax</b>		<b>(41,639)</b>	<b>(15,810)</b>
<b>Tax expense:</b>			
- Current tax (Net off MAT Credit entitlement)		-	-
- Adjustments for earlier years		-	-
- Deferred tax		-	-
<b>Profit / (Loss) after tax</b>		<b>(41,639)</b>	<b>(15,810)</b>
Share of loss from associate		(2)	(2)
<b>Profit / (loss) after tax and share of loss from associate</b>		<b>(41,641)</b>	<b>(15,812)</b>
<b>Earnings per share</b>			
Basic earnings per equity share	33	(1.94)	(0.92)
Diluted earnings per equity share		(1.94)	(0.92)
Nominal value of equity share		1.00	1.00

Significant accounting policies

2

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No.: 003990S/S200018

for and on behalf of the Board of Directors of

**Net Avenue Technologies Private Limited**

CIN : U72900TN2001PTC047220

**P Devi**

Partner

Membership No. 223137

Place : Chennai

Date : May 29 2025



**Ritesh Katariya**

Whole-time director

DIN: 01019455

Place : Surat

Date : May 29 2025

**Rajesh Nahar**

Managing Director

DIN: 01015059

Place : Chennai

Date : May 29 2025

**Prakash Arthanari**

Chief Financial Officer

Place : Surat

Date : May 29 2025

**Bhumisha Darshan Dadwani**

Company Secretary

Place : Surat

Date : May 29 2025



**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**

**Consolidated cash flow statement for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

	Note	As at 31 March 2025	As at 31 March 2024
<b>Cash flow from operating activities</b>			
Profit / (loss) before tax		(41,639)	(15,810)
Adjustments:			
Depreciation and amortisation		950	1,405
Finance cost		610	1,749
Interest income		(1,842)	(1,425)
Employee stock compensation expense		1,938	7,063
Gain on sale of investment		(750)	(212)
Provision for doubtful debts / advances		1,749	4,064
Provision for amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust		5,840	-
Bad debts written off		986	-
Provision for non-moving inventory and inventory written off		7,388	11,693
Unrealized foreign exchange loss, net		(137)	(120)
Provision no longer required written back		(2,936)	-
<b>Operating cash flow before working capital changes</b>		<b>(27,843)</b>	<b>8,407</b>
(Increase) / Decrease in trade receivables		(477)	9,111
(Increase) / Decrease in inventories		18,791	5,497
(Increase) / Decrease in loans and advances and other assets		12,785	(9,239)
Increase / (Decrease) in trade payables, other liabilities and provisions		(6,087)	(27,172)
<b>Cash generated from operations</b>		<b>(2,831)</b>	<b>(13,396)</b>
Income taxes refund / (paid)		352	(652)
<b>Net cash used by operating activities</b>	(A)	<b>(2,479)</b>	<b>(14,048)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment and intangible fixed assets		(195)	(440)
Sale of property, plant and equipment		13	-
Purchase of investments in mutual funds		(3,600)	(1,15,000)
Sale of investments in mutual funds		19,295	63,000
Bank deposits (having original maturity more than three months)		(1,603)	(4,826)
Interest received		1,814	1,425
<b>Net cash provided by investing activities</b>	(B)	<b>15,724</b>	<b>(55,841)</b>
<b>Cash flow from financing activities</b>			
Proceeds from issue of shares, net of share issue expenses		-	91,849
Repayment of borrowings		(8,331)	(17,205)
Proceeds from borrowings		1,499	3,420
Finance costs paid		(610)	(1,749)
<b>Net cash used by financing activities</b>	(C)	<b>(7,442)</b>	<b>76,315</b>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	(A + B + C)	<b>5,803</b>	<b>6,426</b>
Cash and cash equivalents at the beginning of year		9,438	2,939
Net foreign exchange difference		137	73
<b>Cash and cash equivalents at the end of the year</b>		<b>15,378</b>	<b>9,438</b>
<b>Notes to cash flow statement</b>	17	As at 31 March 2025	As at 31 March 2024
Components of cash and cash equivalents:			
Cash on hand		140	173
Balances with banks			
On current accounts		15,238	9,265
<b>Total</b>		<b>15,378</b>	<b>9,438</b>

Significant accounting policies

2

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

As per our report of even date attached

**For PKF Sridhar & Santhanam LLP**

Chartered Accountants

Firm's Registration No: 0039908/S200018

for and on behalf of Board of Directors of

**Net Avenue Technologies Private Limited**

CIN: U72900TN2001PTC047220

*P. Devi*  
P Devi  
Partner  
Membership No. 223137  
Place : Chennai  
Date : May 29 2025



*Ritesh Katariya*  
Ritesh Katariya  
Whole-time director  
DIN: 01019455  
Place : Surat  
Date : May 29 2025

*Prakash Arthanari*  
Prakash Arthanari  
Chief Financial Officer  
Place : Surat  
Date : May 29 2025



*Rajesh Nahar*  
Rajesh Nahar  
Managing Director  
DIN: 01015059  
Place : Chennai  
Date : May 29 2025

*Bhumisha Darshan Dadwani*  
Bhumisha Darshan Dadwani  
Company Secretary  
Place : Surat  
Date : May 29 2025



## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 1 Background

Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited") ("the Company" / "the parent" / "the holding company") and its subsidiaries Chazaar.com Inc, USA and Pioneer Tradings Limited, United Kingdom collectively called as "the Group". The Company was incorporated on 7 June 2001 as per the provision of the Companies Act, 1956. The Company is engaged in the sale of Indian designer clothes and accessories online. The Company has its own portal "Chazaar.com" in the Indian fashion e-tail space. The subsidiaries acts as a commission and collecting agent for the holding company.

Entity	Country of incorporation	Nature of interest	% of shareholding
Net Avenue Technologies Limited (NATL)	India	Holding Company	
Chazaar.com Inc	United States of America	Subsidiary of NATL	100%
Ethnoserve Bespoke Services Private Limited	India	Associate of NATL	29%

### 2 Significant accounting policies

#### 2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated, and in accordance with the generally accepted accounting principles in India ("Indian GAAP"). The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards ("AS") notified under Section 133 and the other relevant provisions of the Companies Act, 2013 as applicable.

The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 29th May 2025.

The financial statements have been prepared on a going concern basis.

#### 2.1 Basis of preparation of consolidated financial statements (continued)

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the parent company and the subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances / transactions and resulting unrealised profits in full as per Accounting Standard 21- Consolidated Financial Statements.

b) The financial statements of the subsidiary companies and associate company are drawn up to the same reporting date as that of the Holding Company i.e., 31 March 2025. Unrealised losses resulting from intra-group transactions have also been eliminated except to the extent that recoverable value of related assets is lower than their cost to the group. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiaries.

c) The difference in the cost of the investment to the parent company of its investment in the subsidiaries at the respective dates on which investment in such entities were made is recognised in the financial statements as goodwill/capital reserve.

d) The consolidated financial statements include the share of profit / loss of the associate company which has been accounted as per the 'Equity method', and accordingly, the share of profit / loss of each of the associate company (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments.

An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture of the investor.

e) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.

f) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The financial statements of the foreign integral subsidiaries are translated into Indian rupees as follows:

Revenue items are translated at the respective monthly average rates. Depreciation is translated at the rates used for the translation of the values of the assets on which depreciation is calculated. Monetary items are translated using the closing rate. Non-monetary items, are translated using the exchange rate on the date of transaction i.e., the date when they were acquired. The net exchange difference resulting from the translation of items in the financial statements of foreign integral operations is recognized as income or expense for the year. Contingent liabilities are translated at the closing rate.

#### 2.2 Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the consolidated financial statements and reported amounts of income and expenses during the period. Actual figures may differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.



## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 2.3 Property, plant and equipment

Depreciation is provided on written down value method over the useful life as prescribed under Part C of Schedule II of the Companies Act, 2013. The cost of property, plant and equipment includes freight, duties and taxes and other incidental expenses related to the acquisition, but exclude duties and taxes that are recoverable subsequently from tax authorities. Borrowing costs directly attributable to acquisition of those property, plant and equipment which necessarily take a substantial period of time to get ready for their intended use are capitalized. Pursuant to the above, the useful lives of various assets are as below:

Property, plant and equipment	Useful life
Computers and accessories	3 years
Office equipments	5 years
Plant and machinery	15 years
Furniture and fittings	10 years
Vehicle	10 years

Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

Leasehold improvements are amortised using straight line method over the lease period.

Advances paid towards acquisition of property, plant and equipment and the cost of assets not ready to be put to use before the year end are disclosed under long term loans and advances, and capital work in progress respectively.

### 2.4 Intangible assets and amortisation

Intangible assets are recorded at the consideration paid for acquisition including any import duties and other taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), and any directly attributable expenditure in making the asset ready for its intended use. Intangible assets comprise primarily of software licenses that are amortized over their estimated useful life of 3 years.

### 2.5 Impairment

The Group assesses at each balance sheet whether there is an indication that an asset may be impaired. If any such condition exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciated historical cost.

### 2.6 Inventories

Inventories which comprise raw materials, work in-progress, finished goods and traded goods are carried at the lower of cost and net realisable value. The comparison of cost and net realizable value is made on an item by item basis. Cost of inventories comprises of purchase costs, costs of conversion, and other costs incurred in bringing the inventories to their present condition and location. In determining the cost, specific identification method is used.

Consumables like packing material are expensed off in the year of purchase.

### 2.7 Income from operations and other income

Revenue from sale of goods and shipping charges is recognised on delivery of goods to customers, which generally coincides with the transfer of all significant risks and rewards of ownership to the buyer. Sale value of goods is exclusive of sales tax, returns, price adjustments and quantity discounts.

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

Interest income is recognized, on time proportion basis.

### 2.8 Investments

Investments are either classified as current or long-term based on the management's intention. Current investments are carried at the lower of cost and fair value. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value. Long-term investments are carried at cost and provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

### 2.9 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the day of the respective transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate on the balance sheet date. Exchange differences arising on foreign currency transactions during the year and on restatement of monetary assets and liabilities are recognized in the statement of profit and loss of the year.

Integral foreign operations are those which carry on their business as if they were an extension of the Company's operations.

The financial statements of an integral foreign operation are translated into Indian rupees as if the transactions of the foreign operation were those of the Company itself.

### 2.10 Employee benefits

#### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages, compensated absence and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.





## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 2.10 Employee benefits (Continued)

#### Post-employment benefits

##### Defined contribution plans:

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

##### Defined benefit plan:

**Gratuity:** The Holding Company's gratuity benefit scheme is the defined benefit plan. The Holding Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that the employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The calculation of the company's obligation is performed by a qualified actuary using the Projected Unit Credit Method. The Holding Company's gratuity scheme is administered by Life Insurance Corporation of India.

The Holding Company recognizes all actuarial gains and losses arising from the defined benefit plan immediately in the consolidated statement of profit and loss. All expenses related to defined benefit plans are recognized in employee benefits expense in the consolidated statement of profit and loss. When the benefits of the plan are improved, the portion of the increased benefit related to past service by employees is recognized in the consolidated statement of profit and loss on a straight line basis over the average period until the benefits become vested. The Holding Company recognizes gains and losses on the curtailment or settlement of the plan when the curtailment or settlement occurs.

**Compensated absences:** The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method as at the balance sheet date.

### 2.11 Earnings per share

Basic earnings per share amounts are computed by dividing net profit or loss for the year attributable to equity shareholders by the weighted average number of shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit after tax attributable to the equity shareholders for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares)

In computing diluted earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

### 2.12 Leases

Leases under which the Holding Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at the fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight line basis over the period of the lease.

### 2.13 Taxation

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law), and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at the balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

Current tax and deferred tax assets and liabilities are offset to the extent to which the Group has a legally enforceable right to set off and they relate to taxes on income levied by the same governing taxation laws.

### 2.14 Provisions, contingent liabilities and contingent assets

Provision is recognized when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of contingent liability is made when there is possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.



## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

### 2.15 Employee stock option based compensation

The Holding Company calculates the compensation cost based on the fair value method, wherein the excess of the fair value of the underlying equity share as on the date of the grant of the option over the exercise price of the option given to the employees under the employee stock option scheme of the Holding Company is amortised over the vesting period on a straight line basis. The Holding Company follows the Guidance note on accounting for employee share based payments issued by Institute of Chartered Accountants of India for accounting for employee stock options.

### 2.16 Cash and cash equivalent

Cash and cash equivalents comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

### 2.17 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit or loss before tax is adjusted for the effects of transactions of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.



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Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")  
Notes to consolidated financial statements for the year ended 31 March 2025  
(All amounts are in thousands except share data or as stated)

3 Share capital

Particulars	As at	
	31 March 2025	31 March 2024
<b>Authorised:</b>		
<i>I. Equity shares</i>		
2,30,00,000 (31 March 2024 : 2,499,980) equity shares of INR. 1 each	23,000	23,000
<i>II. Series A equity shares</i>		
0 (31 March 2024 : 10) Series A equity shares of INR. 1 each	0	0
<i>III. Series B equity shares</i>		
0 (31 March 2024 : 10) Series B equity shares of INR. 1 each	0	0
<i>IV. 0.01% compulsorily convertible and non cumulative Series A preference shares</i>		
0 (31 March 2024: 500,000) preference shares of INR. 1 each	-	-
<i>V. 0.01% compulsorily convertible and non cumulative Series B preference shares</i>		
0 (31 March 2024: 600,000) preference shares of INR. 1 each	-	-
<b>Issued, subscribed and paid up :</b>		
<i>I. Equity shares</i>		
2,14,54,078 (31 March 2024 : 1,238,420) equity shares of INR. 1 each	21,454	21,454
Less : Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust - Face value of 38,420 shares (31 March 2025 : 38,420 ) allotted to the trust	(38)	(38)
	21,416	21,416
<i>II. Series A equity shares</i>		
NIL (31 March 2024 : 6) Series A equity shares of INR. 1 each	-	-
<i>III. 0.01% compulsorily convertible and non cumulative Series A preference shares</i>		
NIL (31 March 2024: 468,614) preference shares of INR. 1 each	-	-
<i>IV. 0.01% compulsorily convertible and non cumulative Series B preference shares</i>		
NIL (31 March 2024: 544,114) preference shares of INR. 1 each	-	-
	21,416	21,416

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3 Share capital (continued)

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

Particulars	As at		As at	
	31 March 2025		31 March 2024	
	Number of shares	Amount	Number of shares	Amount
<b>I. Equity shares</b>				
At the beginning and end of the year (face value INR 1 each)	21,454	21,454	1,238	1,238
Add: Conversion of preference shares and Series A equity sha	-	0	1,013	1,013
Add: Issue of bonus shares	-	-	13,507	13,507
Add: Issue of shares on account of IPO	-	-	5,696	5,696
At the end of the year	21,454	21,454	21,454	21,454
<b>II. Series A equity shares</b>				
At the beginning and end of the year (face value INR 1 each)	0	0	0	0
Less: On conversion to equity shares	(0)	(0)	-	-
At the end of the year	-	-	0	0
<b>III. 0.01% compulsorily convertible and non-cumulative Series A preference shares</b>				
At the beginning and end of the year (face value INR 1 each)	-	-	469	469
Less: On conversion to equity shares	-	-	(469)	(469)
At the end of the year	-	-	-	-
<b>IV. 0.01% compulsorily convertible and non-cumulative Series B preference shares</b>				
At the beginning of the year	-	-	544	544
Less: On conversion to equity shares	-	-	(544)	(544)
At the end of the year	-	-	-	-

(c) Terms/rights attached to equity shares

As at the balance sheet date, the Company has only ordinary equity shares, having a par value of Re.1 per share each respectively.

Each holder of equity shares shall have one vote per share. The Holding company declares and pays dividends in Indian rupees. The dividend proposed, if any, by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

3 Share capital (continued)

(d) Details of shareholders holding more than 5% shares of a class of shares of the Holding Company

The shareholders, individually, holding more than 5% shares of a class of shares of the Holding Company are as under :

Particulars	As at		As at	
	31 March 2025		31 March 2024	
	No. of shares	% holding	No. of shares	% holding
<b>I. Equity shares</b>				
Rajesh Nahar	30,45,000	14.20%	30,45,000	14.20%
Ritesh Katariya	35,70,000	16.60%	35,70,000	16.60%
Inventus Capital Partners (Mauritius) Ltd	21,71,939	10.10%	21,71,939	10.10%
Nadathur Estates Pvt. Ltd. for and on behalf of Ojas Partners	21,53,935	10.00%	21,53,935	10.00%
Forum Synergies India Trust	13,81,632	6.40%	13,81,632	6.40%
Agnus Ventures LLP	13,81,632	6.40%	13,81,632	6.40%
<b>II. Series A equity shares</b>				
Inventus Capital Partners (Mauritius) Ltd	-	0.00%	-	0.00%
Nadathur Estates Pvt. Ltd. for and on behalf of Ojas Partners	-	0.00%	-	0.00%
Forum Synergies India Trust	-	0.00%	-	0.00%
Agnus Ventures LLP	-	0.00%	-	0.00%
<b>III. 0.01% compulsorily convertible and non-cumulative Series A preference shares</b>				
Inventus Capital Partners (Mauritius) Ltd	-	0.00%	-	0.00%
Nadathur Estates Pvt. Ltd. for and on behalf of Ojas Partners	-	0.00%	-	0.00%

**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**

**Notes to consolidated financial statements for the year ended 31 March 2025**

(All amounts are in thousands except share data or as stated)

**IV. 0.01% compulsorily convertible and non-cumulative**

**Series B preference shares**

Inventus Capital Partners (Mauritius) Ltd	-	0.00%	-	0.00%
Nadathur Estates Pvt. Ltd. for and on behalf of Ojas Partners	-	0.00%	-	0.00%
Forum Synergies India Trust	-	0.00%	-	0.00%
Agnus Ventures LLP	-	0.00%	-	0.00%

**(e) Shares held by promoters at the end of the year**

S. No	Promoter Name	No. of Shares	% of total shares	% Change during the year
1	Rajesh Nahar	30,45,000	14.20%	Refer Note 3(d)(I)
2	Ritesh Katariya	35,70,000	16.60%	Refer Note 3(d)(I)
	<b>TOTAL</b>	<b>66,15,000</b>	<b>30.80%</b>	

**(f) Bonus issue, buy back and issue of shares without payment being received in cash**

The Company allotted 1,35,06,924 equity shares of ₹1 each, in the ratio of 6:1, to the existing shareholders holding 22,51,154 equity shares, pursuant to the bonus issue approved on August 16, 2023.

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Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")  
Notes to consolidated financial statements for the year ended 31 March 2025  
(All amounts are in thousands except share data or as stated)

4 Reserves and surplus

Particulars	As at	
	31 March 2025	31 March 2024
<b>I. General reserve</b>		
Balance at the beginning	23,963	6,299
Transfer from capital reserve on account of liquidation	-	986
Add: Amount transferred to general reserve on account of forfeiture	-	583
Add: Amount transferred to general reserve on account of expiry of options granted to promoters	164	16,095
<b>Balance at the end</b>	<b>24,127</b>	<b>23,963</b>
<b>II. Securities premium account</b>		
Balance at the beginning	4,98,433	4,25,787
Add: Premium received on account of share issue	-	96,832
Less: Amounts utilised for share issue expenses	(3,000)	(10,679)
Less: Amounts utilised for Issue of bonus shares	-	(13,507)
<b>Balance at the end of the year</b>	<b>4,95,433</b>	<b>4,98,433</b>
Note : The securities premium account balance is net of INR 89,25,020/- recoverable from the Net Avenue Technologies Private Limited Employees Welfare Trust.		
*The Company, considering the subsidy claim of ₹30 lakhs under the 'Subsidy for Fund Raising from SME Exchange' scheme as pending for over a year and based on oral communication of rejection from the department, has recognised the amount as share issue expense during the year and adjusted it against securities premium reserve. However, Company is continuing to pursue this claim with the appropriate authority.		
<b>III. Employee stock option outstanding</b>		
Balance at the beginning	8,925	18,540
Add: Employee share options expenses	1,938	7,063
Less: Amount transferred to general reserve on account of forfeiture	-	(583)
Less: Amount transferred to general reserve on account of expiry of options granted to promoters	(164)	(16,095)
<b>Balance at the end</b>	<b>10,699</b>	<b>8,925</b>
<b>IV. Surplus in the statement of profit and loss</b>		
Balance at the beginning	(4,48,248)	(4,32,435)
Profit/ (loss) for the year	(41,641)	(15,812)
<b>Balance at the end</b>	<b>(4,89,889)</b>	<b>(4,48,248)</b>
<b>IV. Capital reserve</b>		
Balance at the beginning	-	986
Transfer to reserves on account of liquidation	-	(986)
<b>Balance at the end</b>	<b>-</b>	<b>-</b>
<b>Total reserve and surplus</b>	<b>40,370</b>	<b>83,074</b>

5 Provisions

	Long-term		Short-term	
	As at		As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Provision for employee benefits:				
- for gratuity	3,580	3,617	3,466	2,894
- for compensated absences	231	293	320	363
Provision for sales return allowance	-	-	1,528	1,607
	<b>3,811</b>	<b>3,910</b>	<b>5,314</b>	<b>4,865</b>



Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")  
Notes to consolidated financial statements for the year ended 31 March 2025  
(All amounts are in thousands except share data or as stated)

6 Short-term borrowings

Particulars	As at	
	31 March 2025	31 March 2024
Overdraft facility from bank (secured) *	1,499	-
Unsecured Loans		
-Employees	-	-
-Related parties **	5,506	13,837
	<u>7,005</u>	<u>13,837</u>

\* Overdraft balance represents facility availed from IndusInd bank which carries interest rate at 8.5% per annum and are repayable on demand. The facility is secured against the fixed deposits of the Company. The company also has OD facility in IDFC Bank Limited which has been closed in the current year

\*\* The loan is repayable on demand. The loan is received from director and their relatives and is unsecured. (refer note 34)

7 Trade payables

Particulars	As at	
	31 March 2025	31 March 2024
- Total outstanding dues to micro and small enterprises	5,664	3,544
- Total outstanding dues to creditors other than micro and small enterprises	18,871	22,507
	<u>24,535</u>	<u>26,051</u>

8 Other current liabilities

Particulars	As at	
	31 March 2025	31 March 2024
Interest accrued and due on borrowings	192	85
Deferred income	3,049	397
Advance from customers	12,000	23,434
Accrued Expenses	10,832	8,424
Other statutory dues payable	464	1,749
Employee benefits payable	3,432	5,426
	<u>31,658</u>	<u>39,515</u>

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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 9 Property, plant and equipment & Intangibles

### Tangible assets

Particulars	Leasehold improvements	Plant and Machinery	Office equipments	Furniture and fittings	Computers	Vehicle	Total
<b>Gross block</b>							
Balance as at 1 April 2023	229	2,083	2,607	4,428	8,297	319	17,964
Additions	-	21	224	100	116	-	460
Deletions / write off	-	-	25	-	-	-	25
Reclassification	-	-	-	-	-	-	-
Balance as at 31 March 2024	229	2,104	2,806	4,527	8,413	319	18,399
Additions	-	60	66	9	59	-	194
Deletions / write off	-	-	13	-	-	-	13
Balance as at 31 March 2025	229	2,164	2,859	4,536	8,472	319	18,580
<b>Accumulated depreciation</b>							
Balance as at 1 April 2023	200	665	2,365	3,073	7,414	147	13,864
Additions	16	260	171	347	443	44	1,281
Deletions / write off	-	-	4	-	-	-	4
Reclassification	-	-	-	-	-	-	-
Balance as at 31 March 2024	215	925	2,532	3,420	7,857	191	15,141
Additions	3	221	134	266	219	32	875
Deletions / write off	-	-	-	-	-	-	-
Balance as at 31 March 2025	218	1,146	2,666	3,686	8,076	223	16,016
<b>Net block</b>							
As at 31 March 2024	14	1,179	274	1,108	555	128	3,258
As at 31 March 2025	11	1,018	193	851	395	96	2,564

## 10 Intangible assets

Particulars	Computer software
<b>Gross block</b>	
Balance as at 1 April 2023	10,153
Additions	-
Deletions / write off	-
Adjustment on account of restatement	-
Balance as at 31 March 2024	10,153
Additions	-
Deletions / write off	-
Adjustment on account of restatement	-
Balance as at 31 March 2025	10,153
<b>Accumulated amortization</b>	
Balance as at 1 April 2023	9,815
Additions	124
Deletions / write off	-
Balance as at 31 March 2024	9,939
Additions	75
Deletions / write off	-
Balance as at 31 March 2025	10,014
<b>Net block</b>	
As at 31 March 2024	214
As at 31 March 2025	139



# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 11 Non-current investments

Particulars	As at	
	31 March 2025	31 March 2024
<b>Trade investments (unquoted)</b>		
<i>Investment in equity accounted investees</i>		
29,412 (31 March 2023 :29,412) equity shares of Ethnoserve Bespoke Services Private Limited, an associate, of INR 1 each, fully paid up	39	41
<b>Total</b>	<b>39</b>	<b>41</b>
 <b>Disclosure for unquoted investment</b>		
Aggregate book value	39	41

## 12 Deferred tax assets

The Group has unabsorbed losses as per taxation laws. Since the Group does not have virtual certainty of future profits, the deferred tax assets have not been recognized.

## 13 Loans and advances

Particulars	Long-term		Short-term	
	As at		As at	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
<b>To parties other than related parties</b>				
<b>Deposits (unsecured, considered good)</b>				
Security deposit	2,969	3,095	-	-
	<b>2,969</b>	<b>3,095</b>	<b>-</b>	<b>-</b>
<b>Others (unsecured, considered good)</b>				
Prepayments	-	-	668	515
MAT Credit Entitlement	876	876	-	-
Advance tax (net of provision for tax)	-	-	-	-
Advances to employees	-	-	773	1,617
Deposit with stock exchange	-	-	-	1,053
Advance to supplier	-	-	3,748	4,268
Balances with government authorities	-	-	6,309	18,173
Other advances	-	-	-	37
	<b>876</b>	<b>876</b>	<b>11,498</b>	<b>25,663</b>
<b>Others (unsecured, considered doubtful)</b>				
Security deposit - considered doubtful	506	30	-	-
Balances with Income Tax authorities including refund receivable - considered doubtful	-	-	2,180	2,503
Advances to suppliers	-	-	11,916	10,298
Advances to employees	-	-	-	100
Less: Provision for deposits, advances	(506)	(30)	(12,691)	(10,804)
	<b>-</b>	<b>-</b>	<b>1,405</b>	<b>2,097</b>
<b>Total loans and advances</b>	<b>3,845</b>	<b>3,971</b>	<b>12,903</b>	<b>27,760</b>

## 14 Current Investments

Particulars	As at	
	31 March 2025	31 March 2024
Investment in Mutual Funds (At cost)	37,267	52,212
	<b>37,267</b>	<b>52,212</b>

Name	Units
ICICI Pru All Seasons Bond	3,06,593
HDFC Low Duration	1,33,012
ICICI Pru Equity Arbitrage	1,66,925
ICICI Pru Liquid	462
Kotak Equity Arbitrage Fund	1,49,132
Edelweiss Arbitrage Fund	2,87,454
SBI Arbitrage Opp Fund	1,64,932
<b>Total</b>	<b>12,08,510</b>





**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**  
Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

**15 Inventories**  
(valued at the lower of cost and net realisable value)

Particulars	As at	
	31 March 2025	31 March 2024
Raw materials and components	12,579	21,380
Work-in-progress	2,265	7,649
Finished goods (goods in transit amounts to INR 971K ; PY INR 2242K)	31,784	40,668
Stock-in-trade (goods in transit amount to INR 436K ; PY INR 1111K)	8,177	7,654
	54,805	77,351
Less : Provision for non-moving inventory	(25,901)	(22,268)
	<b>28,904</b>	<b>55,083</b>

**16 Trade receivables**

Particulars	As at	
	31 March 2025	31 March 2024
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
a) Secured, considered good	-	-
b) Unsecured, considered good	-	483
c) Unsecured, considered doubtful	-	-
Less: Provision for doubtful receivables	-	(483)
	-	-
<b>Other receivables</b>		
a) Secured, considered good	-	-
b) Unsecured, considered good	3,223	3,732
c) Unsecured, considered doubtful	-	-
Less: Provision for doubtful receivables	-	-
	3,223	3,732
	<b>3,223</b>	<b>3,732</b>

**17 Cash and bank balances**

Particulars	As at	
	31 March 2025	31 March 2024
<b>Cash and cash equivalents</b>		
Cash on hand	140	173
Balances with banks		
- On current accounts	15,238	9,265
<b>Other bank balances</b>		
Deposits with original maturity of more than 3 months and less than 12 months	8,291	7,741
Deposits (held as security against borrowings/guarantee)	15,947	14,894
	<b>39,616</b>	<b>32,073</b>

**18 Other current assets**

Particulars	As at	
	31 March 2025	31 March 2024
<b>To parties other than related parties</b>		
<b>Unsecured, considered good</b>		
Subsidy receivable on account of listing expenses *	-	3,000
Interest accrued on deposit with bank	206	210
MEIS Receivable	283	-
Others	-	30
<b>Unsecured, considered doubtful</b>		
Others	697	1,282
Less: Provision for doubtful receivables	(697)	(1,161)
<b>Total other assets</b>	<b>489</b>	<b>3,361</b>

\*The Company, considering the subsidy claim of ₹30 lakhs under the 'Subsidy for Fund Raising from SME Exchange' scheme as pending for over a year and based on oral communication of rejection from the department, has recognised the amount as share issue expense during the year and adjusted it against securities premium reserve. However, Company is continuing to pursue this claim with the appropriate authority.

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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 19 Revenue from operations

Particulars	Period ended	
	31 March 2025	31 March 2024
Sale of products	2,45,998	2,47,315
Other operating revenue	25,151	19,738
	<b>2,71,149</b>	<b>2,67,053</b>

## 20 Other income

Particulars	Period ended	
	31 March 2025	31 March 2024
Interest income on bank deposits	1,814	1,425
Interest on IT refunds	28	-
Discount received from vendor	517	796
Provision no longer required written back / vendor write back	2,936	-
Other non-operating income	976	466
Prior period Income	-	-
	<b>6,271</b>	<b>2,687</b>

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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

## 21 Cost of materials consumed (Fabrics)

Particulars	Period ended	
	31 March 2025	31 March 2024
Inventory of raw materials at the beginning of the year	21,380	25,070
Add: Purchases during the year/period	3,681	11,780
Less : Inventory of raw materials at the end of the year *	(12,579)	(21,380)
	<b>12,482</b>	<b>15,470</b>

\*Inventory write down of Rs.2,109 thousands has been included under Cost of Materials Consumed (31 March 2024 : Nil)

## 22 Purchases of stock-in-trade

Particulars	Period ended	
	31 March 2025	31 March 2024
Apparels	61,636	40,399
	<b>61,636</b>	<b>40,399</b>

## 23 Changes in inventory of work-in-progress and stock-in-trade

Particulars	Period ended	
	31 March 2025	31 March 2024
Inventories at the beginning of the year		
Work-in-progress	7,649	10,610
Finished goods	40,668	33,709
Stock-in-trade	7,654	13,456
Inventories of stock in trade at the end of the year *		
Work-in-progress	(2,265)	(7,649)
Finished goods	(31,784)	(40,668)
Stock-in-trade	(8,177)	(7,654)
	<b>13,745</b>	<b>1,804</b>

\*Inventory write down of Rs.1,646 thousands has been included under Changes in Inventories (31 March 2024 : Nil)

## 24 Employee benefits

Particulars	Period ended	
	31 March 2025	31 March 2024
Salaries, wages and bonus *	40,221	43,173
Contribution to provident and other funds	1,901	2,725
Employee stock compensation expenses	1,938	7,063
Staff welfare expenses	1,424	970
	<b>45,484</b>	<b>53,931</b>

\* Related party ( refer note 34)



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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

## 25 Finance cost

Particulars	Period ended	
	31 March 2025	31 March 2024
Interest		
- to banks	16	801
- to related parties	594	948
	<u>610</u>	<u>1,749</u>

## 26 Depreciation and amortization

Particulars	Period ended	
	31 March 2025	31 March 2024
Depreciation on property, plant and equipment (refer note 9)	875	1,281
Amortisation of intangible assets (refer note 10)	75	124
	<u>950</u>	<u>1,405</u>

## 27 Other expenses

Particulars	Period ended	
	31 March 2025	31 March 2024
Fabric conversion & Redesign charges	26,884	33,541
Internet banking and other charges	8,234	7,659
Marketing expenses	3,323	3,679
Advertisement and business promotion expenses	53,169	48,667
Collection charges	2,942	4,042
Power and fuel	1,454	1,394
Printing and stationery	541	624
Repairs and maintenance		
- Computers	154	230
- Others	648	1,296
Insurance	597	688
Office expenses	1,083	1,259
Rates and taxes	436	408
Foreign exchange fluctuation loss (net)	701	855
Rent	3,703	3,441
Professional and technical fees (refer note 29)	9,877	9,154
Travelling and conveyance	1,495	900
Freight and handling charges	46,444	39,144
Communication expenses	40	143
Provision for non moving inventory	3,633	11,693
Bad Debts written off	986	-
Provision for doubtful debts/ advances	1,749	4,064
Provision for amount recoverable from Net Avenue Technologies Private Limited	5,840	-
Employees Welfare Trust		
Prior period item	7,110	-
Bank charges	239	342
Miscellaneous expenses	2,870	2,696
	<u>1,84,152</u>	<u>1,75,922</u>

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## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

### 28 Contingent liabilities and commitments

#### a) Contingent liabilities

1. The Holding company has appointed Cbazaar.com,Inc, USA ("CB INC") as a Business Associate who shall assist and accept orders from various customers and also collect payment from these customers on behalf of the Company, for which the Company pays commission charges to CB INC. The Company also reimburses certain expenditures like marketing, internet banking and other charges which are incurred on its behalf to CB INC. The Company based on a legal opinion believes that service tax/goods and services tax is not applicable on such transactions and accordingly, no provision has been made for service tax/Goods and Services Tax in these financial statements.
2. Demand Raised for Rs.17,80,880/- by Income tax authorities for AY 2011-12, the reason being challan paid was not considered by the IT Authority to the holding company
3. Demand Raised for Rs.10,77,460/- by Income tax authorities for AY 2020-21, the reason being inconsistency between tax audit report and ITR to the holding company
4. Demand Raised for Rs.33,20,270/- by Income tax authorities for AY 2022-23, the reason being disallowance of marketing expenses claimed in ITR to the holding company
5. Demand Raised for Rs.1,67,712/- by Income tax authorities for AY 2021-22, the reason being disallowance of some expenses claimed in ITR to the holding company
6. In the Current year, the company has received a notice from the GST department based on audit for the FY 2018 to 2023 for non-payment of GST as leviable on reimbursement of expenses to subsidiary company for Rs2,65,82,814 (excluding interest and penalty)

#### b) Commitments

Particulars	As at	
	31 March 2025	31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-
Guarantees given	-	-
<b>Total</b>	-	-



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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

## 29 Micro and small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the Micro, Small and Medium Enterprise Development Act, 2006 ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 30 June 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	As at	
	31 March 2025	31 March 2024
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	5,664	3,544
Interest on the above, remaining unpaid at the end of the accounting year	258	375
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	313	530
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

## 30 Particulars of un-hedged foreign currency exposures as at the balance sheet date

The Company does not use any derivative instruments to hedge its foreign currency assets / liabilities. The details of foreign currency

Particulars	As at	
	31 March 2025	31 March 2024
<b>Receivable</b>		
Foreign currency equivalent (GBP)		
Indian Rupee equivalent		
Foreign currency equivalent (USD)	-	16
Indian Rupee equivalent	-	1,333
<b>Payable</b>		
Foreign currency equivalent (GBP)		
Indian Rupee equivalent		
Foreign currency equivalent (USD)	10	-
Indian Rupee equivalent	897	-





# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 31 Related party transactions

### (a) Names and nature of relationship with related parties

Key managerial personnel	Mr. Rajesh Nahar (Director) Mr. Ritesh Katariya (Director)
Relatives of key managerial personnel	Mrs. Kasturi Devi Mrs. Manju Shree Mrs. Sarala Nahar
Enterprise over which the Company exercise a significant influence	Ethnoserve Bespoke Services Private Limited
Enterprises owned or significantly influenced by key managerial personnel or their relatives	Net Avenue Technologies Private Limited Employees Welfare Trust
Enterprise in which Director's relatives are interested	Aviato Software Solutions Private Limited

### (b) Related party transactions

Particulars	Period ended 31 March 2025	Year ended 31 March 2024
<b>I. Remuneration paid</b>		
Mr. Rajesh Nahar	7,415	6,467
Mr. Ritesh Katariya	7,500	6,667
Mrs. Sarala Nahar	180	620
<b>II. Loans availed from / (paid to) relatives of key management personnel</b>		
Mr. Ritesh Katariya	(4,175)	1,900
Mr. Rajesh Nahar	(500)	-
Mrs. Manju Shree	(3,000)	600
Mrs. Kasturi Devi	(656)	-
<b>III. Interest on loan paid key management personnel (KMP) and relatives of KMP</b>		
Mrs. Kasturi Devi	13	196
Mrs. Manju Shree	190	521
Mrs. Sarala Nahar	-	142
Mr. Rajesh Nahar	-	57
Mr. Ritesh Katariya	224	455
<b>IV. Sale of Products</b>		
Mr. Rajesh Nahar	10	-
<b>V. Marketing, internet banking and other expense</b>		
Aviato Software Solutions Private Limited	487	-
<b>VI. Reimbursement of Expenses:</b>		
Mr. Rajesh Nahar	12	
Mr. Ritesh Katariya	205	147

### (c) Balances as at :

Particulars	As at 31 March 2025	As at 31 March 2024
<b>A. Amount receivable from Net Avenue Technologies Private Limited Employees Welfare Trust (Gross of shares cost issued to trust and provisions)</b>	5,120	10,960
<b>B. Salary Payable</b>		
Receivable		
Mr. Rajesh Nahar	1,264	1,650
Mr. Ritesh Katariya	1,317	1,676
Mrs. Sarala Nahar	92	-



**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

<b>C. Balance payable to key managerial personnel /relatives of key managerial personnel</b>		
<b>- Unsecured loans</b>		
Ms. Kasturi Devi	-	656
Ms. Manju Shree	-	3,000
Ms. R Sarala Nahar	-	-
Mr. Rajesh Nahar	2,753	3,253
Mr. Ritesh Kataria	2,753	6,928
<b>E. Reimbursement of expense payable - Advance to employees</b>		
Mr. Ritesh Kataria	-	147
<b>F. Interest on loan payable key management personnel (KMP) and relatives of KMP</b>		
Ms. Kasturi Devi	-	6
Mr. Rajesh Nahar	49	5
Ms. Manju Shree	106	28
Ms. Sarala Nahar	-	-
Mr. Ritesh Katariya	37	46
<b>G. Aviato Software Solutions Private Limited</b>		
Payable	82	-
Receivable	-	-



## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

### 32 Employee benefits

#### Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to INR 1,745K (previous year : INR 2,514K )

#### Defined benefit plans

The Holding Company's gratuity benefit scheme is a defined benefit plan. The Holding Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Holding Company's obligation under this plan is performed annually by a qualified actuary using the projected unit credit method. The gratuity plan entitles regular employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

Disclosure requirements under Revised Accounting Standard 15 (Revised) on employee benefits

Gratuity		
Particulars (Changes in the Present Value of Obligation)	Mar'25	Mar'24
Present Value of Obligation as at the beginning	7,479	6,931
Interest Cost	531	497
Current Service Cost	463	475
Benefits Paid	(334)	(566)
Actuarial (Gain) / Loss on the Obligation	(20)	143
Present Value of Obligation as at the end	8,118	7,479

Particulars (Changes in the Fair Value of Plan Assets)	Mar'25	Mar'24
Fair Value of Plan Assets as at the beginning	968	1,216
Expected Return on Plan Assets	69	92
Employer's Contributions	349	239
Benefits Paid	(301)	(566)
Actuarial Gain / (Loss) on the Plan Assets	(13)	(11)
Fair Value of Plan Assets as at the end	1,072	968

Particulars (Expense recognised in P&L)	Mar'25	Mar'24
Current Service Cost	463	475
Interest Cost	531	497
Expected Return on Plan Assets	(69)	(92)
Net Actuarial (Gain) / Loss recognised in the period	(7)	154
Expenses Recognised in statement of Profit and Loss	918	1,035

Particulars	31 March 2025	31 March 2024
Discount rate	6.45%	7.10%
Salary escalation	9.00%	8.00%
Attrition rate	40.00%	35.00%

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

Assumptions regarding future mortality are based on published statistics and mortality tables. The calculation of the defined benefit obligation is sensitive to the mortality assumptions.

The gratuity expenses have been recognised under "Salaries, wages and bonus" in note 24.



## Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

### 33 Earnings per share (EPS)

Particulars	31 March 2025	31 March 2024
<b>Earnings</b>		
Profit for the period / year	(41,641)	(15,812)
Less: Dividends on preference shares and tax thereon	-	-
<b>Net profit/ (loss) attributable to equity shareholders for</b>	<b>(41,641)</b>	<b>(15,812)</b>
Outstanding number of shares		
Weighted average number shares for basic earnings per share	21,416	3,636
Effect of bonus issue	-	13,507
Effect of potential equity shares	-	38
Compulsorily convertible Series A preference shares	-	-
Compulsorily convertible Series B preference shares	-	-
Effect of Options issued, where there is no anti dilutive	-	-
Weighted average number shares for diluted earnings per share	21,416	17,181
<b>Basic earnings per share</b>	<b>(1.94)</b>	<b>(0.92)</b>
<b>Diluted earnings per share</b>	<b>(1.94)</b>	<b>(0.92)</b>

### 34 Leases

The Company has entered into operating lease arrangements for the lease of office premises. The lease payments recognised in the statement of profit and loss for the year ended 31 March 2025 amounts to INR 3,703K (31 March 2024: INR 3441K)

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# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 35 Employee share-based payment plans

- (a) During the year ended 31 March 2014, the Holding Company had formed an ESOP trust, "Net Avenue Technologies Private Limited Employees Welfare Trust". The Holding Company had framed the guidelines on issue of shares to its employees. The ESOP trust has purchased 46,980 shares from the shareholders and subscribed for 38,420 shares issued by the Holding Company for the purpose of issuing it to the employees. The Holding Company had accounted for the ESOP Trust in accordance with Guidance Note on Accounting for Employee Share Based Payments. Accordingly, the loan given to the ESOP trust has been disclosed as "Amount recoverable from Net Avenue Technologies Private Limited Employees Welfare Trust" in the balance sheet and the shares are shown as a part of the share capital.

During the current financial year, the Company has made a provision in respect of amounts receivable from Net Avenue Technologies Private Limited Employees Welfare Trust. This provision is based on the exercise price of stock options as determined under the Company's ESOP scheme. The net amount of shares held by the Employees Welfare Trust has been valued at the said exercise price, and any shortfall in recoverability has been duly provided for :

Particulars	2024-25	2023-24
Amount recoverable from Net Avenue Technologies	10,960	10,960
Less: Provision	(5,840)	-
Net Amount recoverable from Net Avenue	5,120	10,960

Post balance sheet date, the board has approved in its meeting dated 25th May 2024 for issuance of 6 bonus options for the existing options issued prior to Aug 2023 and also reduced the exercise price from Rs.100 to Rs.60 for 7 options and also the exercise period is extended to 14 years. Accordingly the same is considered as modification to the ESOP scheme and considered the effect of the same in the results for the year ended 31st March 2024

## (b) Details of the shares reserved for issue under options

The Holding Company issued options under the Employees stock option policy 2013 ("2013 Plan") in the financial year 2013-2014. The 2013 Plan covers all employees on the permanent rolls of the Organisation and who can be assigned eligibility scores using an ESOP Scoring Matrix 2013. The objective of this 2013 Plan is to encourage ownership of the Holding Company's equity by its employees on an ongoing basis. The 2013 Plan is intended to reward the employees for their contribution to the successful operation of the Holding Company and to provide an incentive to continue contributing to the success of the Holding company.

Post balance sheet date, the board has approved in its meeting dated 25th May 2024 for issuance of 6 bonus options for the existing options issued prior to Aug 2023 and also reduced the exercise price from Rs.100 to Rs.60 for 7 options and also the exercise period is extended to 14 years. Accordingly the same is considered as modification to the ESOP scheme and considered the effect of the same in the results for the year ended 31st March 2024

The terms in the ESOP policy was modified as follows: Exercise price was changed to Rs 60 from Rs 100. The exercise period has been increased to 10 years from 4 years.

The scheme provides that these options would be vested in tranches as follows

Period within which the option	% of options that will vest
One year from the date of acceptance of offer	30%
Two years from the date of acceptance of offer	30%
Three years from the date of acceptance of offer	20%
Four years from the date of acceptance of offer	20%

Grant date	15-Oct-13	01-Jul-14	Various dates in 2014-15	Various dates in 2015-16	01-Jul-16	01-Jul-17	01-Jul-18	01-Oct-21	01-Jul-23	01-Jan-24
Options granted	23400	1500	2500	13600	3700	50616	3500	21450	18100	38500
Vesting period	1 to 4 years	to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 years	1 to 4 year	1 to 4 years
Expected option life	2.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years	6.3 years
Risk free rate	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%	8.80%
Option value as on grant date	151	151	151	430	486	357	357	154	13	27

The fair value of stock options has been determined using the Black Scholes option pricing model.

Particulars	31 March 2025	31 March 2024
Options granted and outstanding at the beginning of the year	3,68,550	75,866
Add: Options granted during the year	-	56,600
Less: Exercised during the year	-	-
Less: Expired during the year	-	(45,116)
Less: Forfeited during the year	(13,300)	(1,700)
Add: Bonus issued	-	2,82,900
Options granted and outstanding at the end of the year	3,55,250	3,68,550





# Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")

Notes to consolidated financial statements for the year ended 31 March 2025 (Continued)

(All amounts are in thousands except share data or as stated)

## 36 Additional information required by Schedule III of Companies Act, 2013

For the year ended 31 March 2025	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
Name of the entity	As a % of Consolidated net assets	Amount	As a % of Consolidated profit or loss	Amount
<b>Parent:</b>				
Net Avenue Technologies Private Limited	106.85%	66,020	82.84%	(34,496)
<b>Subsidiaries:</b>				
Cbazaar.com Inc, USA	-10.43%	(6,443)	-13.15%	5,476
<b>Associate:</b>				
Ethnoserve Bespoke Services Private Limited	0.06%	39	0.00%	(2)
<b>Inter-company eliminations</b>	3.51%	2,170	30.30%	(12,619)
	<b>100%</b>	<b>61,786</b>	<b>100%</b>	<b>(41,641)</b>
<b>For the year ended 31 March 2024</b>	<b>Net Assets, i.e. total assets minus total liabilities</b>		<b>Share in profit or loss</b>	
<b>Name of the entity</b>	<b>As a % of Consolidated net assets</b>	<b>Amount</b>	<b>As a % of Consolidated profit or loss</b>	<b>Amount</b>
<b>Parent:</b>				
Net Avenue Technologies Private Limited	97.21%	1,01,577	109.09%	(17,249)
<b>Subsidiaries:</b>				
Cbazaar.com Inc, USA	-11.41%	(11,918)	1.79%	(283)
Pioneer Tradings Limited, UK	-0.06%	(62)	0.77%	(121)
<b>Associate:</b>				
Ethnoserve Bespoke Services Private Limited	0.04%	41	-0.01%	(2)
<b>Inter-company eliminations</b>	14.21%	14,852	-11.65%	1,843
	<b>100%</b>	<b>1,04,490</b>	<b>100%</b>	<b>(15,812)</b>

## 37 Prior year comparatives

Prior year comparatives have been regrouped / reclassified wherever necessary to conform with current year's

## 38 Exceptional item

The exceptional income shown in the statement of profit or loss for the period ended 31 March 2024 refers income recognised in the books of subsidiary "Pioneer tradings Limited" as the subsidiary has prepared its financial statements on liquidation basis as at 30th June 2023 consequent to its dissolution, accordingly capital reserve related to the subsidiary has been transferred to other reserves



**Net Avenue Technologies Limited ( Formerly "Net Avenue Technologies Private Limited")**

Notes to consolidated financial statements for the year ended 31 March 2025

(All amounts are in thousands except share data or as stated)

**39 Other statutory information**

- i The Group does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii The Group does not have any transactions with companies struck off.
- iii The Group has not been declared wilful defaulter by any bank or financial institution or other lender.
- iv The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

- 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 Company shall:
- v 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
  - vi The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - vii The Group has not traded or invested in crypto currency or virtual currency during the financial year.

As per our report of even date attached  
**For PKF Sridhar & Santhanam LLP**  
Chartered Accountants  
Firm's Registration No: 003990S/S200018

*P. Devi*  
**P Devi**  
Partner  
Membership No: 137  
Place : Chennai  
Date : May 29 2025



for and on behalf of the Board of Directors of  
**Net Avenue Technologies Private Limited**  
CIN: U72900TN2001PTC047220

*Ritesh Katariya*  
**Ritesh Katariya**  
Whole time Director  
DIN: 01019455  
Place : Surat  
Date : May 29 2025

*Prakash Arthanari*  
**Prakash Arthanari**  
Chief Financial Officer  
Place : Surat  
Date : May 29 2025



*Rajesh Nahar*  
**Rajesh Nahar**  
Director  
DIN: 01015059  
Place : Chennai  
Date : May 29 2025

*Bhumisha Darshan Dadwani*  
**Bhumisha Darshan Dadwani**  
Company Secretary  
Place : Surat  
Date : May 29 2025