
Walker Chandio & Co LLP
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Independent Auditor's Report

To the Members of Spice Club Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Spice Club Private Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are responsible for the other information. Other information does not include the financial statements and our auditor's report thereon.

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

Independent Auditor's Report to the members of Spice Club Private Limited on financial statements for the year ended March 31, 2022 (cont'd)

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

The Director's Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

5. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the financial statements, the 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 financial statements.
9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal 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

Independent Auditor's Report to the members of Spice Club Private Limited on financial statements for the year ended March 31, 2022 (cont'd)

controls system with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.
12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
13. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, 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 purpose of our audit of the accompanying 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;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on March 31, 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

Walker Chandiook & Co LLP

Independent Auditor's Report to the members of Spice Club Private Limited on financial statements for the year ended March 31, 2022 (cont'd)

- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as at March 31, 2022;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2022;
 - 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 March 31, 2022;
 - iv.
 - a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 17A to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
 - b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 17B to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the 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; and
 - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2022.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sd/-

Neeraj Goel
Partner
Membership No.: 099514

UDIN: 22099514AQERHG1793

Place: Gurugram
Date: August 29, 2022

Spice Club Private Limited
Balance Sheet as at March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Current assets			
Financial assets			
Cash and cash equivalents	3	15,540	75,540
Other current assets	4	-	4,680
Total current assets		15,540	80,220
Total assets		15,540	80,220
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5	100,000	100,000
Other equity	6	(225,205)	(110,425)
Total equity		(125,205)	(10,425)
Current liabilities			
Financial liabilities			
Trade payables	7	-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		140,745	90,645
Total current liabilities		140,745	90,645
Total equity and liabilities		15,540	80,220
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

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

For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Spice Club Private Limited
Statement of Profit and Loss for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Notes	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from operations			
Service income		-	-
Total income		<u>-</u>	<u>-</u>
Expenses			
Other expenses	8	114,780	76,800
Total expenses		<u>114,780</u>	<u>76,800</u>
Loss before tax		(114,780)	(76,800)
Tax expense	9	-	-
Loss for the year		<u>(114,780)</u>	<u>(76,800)</u>
Other comprehensive income for the year			
		-	-
Total comprehensive income for the year		<u>(114,780)</u>	<u>(76,800)</u>
Loss per share	10		
- Basic		(11.48)	(7.68)
- Diluted		(11.48)	(7.68)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

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

For Walker Chandio & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Spice Club Private Limited
Statement of Cash Flow for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

	Year ended March 31, 2022	Year ended March 31, 2021
A. Cash flows from operating activities		
Loss before tax	(114,780)	(76,800)
Operating loss before working capital changes	(114,780)	(76,800)
Movements in working capital:		
Other current assets	4,680	(4,680)
Trade payables	50,100	57,020
Cash used in operations	(60,000)	(24,460)
Income tax paid	-	-
Net cash used in operating activities	(60,000)	(24,460)
B. Cash flows from investing activities	-	-
C. Cash flows from financing activities	-	-
Net decrease in cash and cash equivalents	(60,000)	(24,460)
Cash and cash equivalents at the beginning of the year	75,540	100,000
Cash and cash equivalents at the end of the year	15,540	75,540
Notes :		
Components of cash and cash equivalents		
Balances with banks in current accounts	15,540	75,540
Total cash and cash equivalents (refer note 3)	15,540	75,540

The accompanying notes form an integral part of the financial statements.

This is the statement of cash flow referred to in our report of even date.

For Walker Chandiook & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Place: Gurugram
Date: August 29, 2022

For and on behalf of the Board of Directors

Sd/-
Ajay Singh
Director
DIN No: 01360684

Place: Gurugram
Date: August 29, 2022

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Spice Club Private Limited
Statement of Changes in Equity for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

A. Equity share capital:

Particulars	Number	Amount
As at April 01, 2020	10,000	100,000
Changes in equity share capital during the year	-	-
As at March 31, 2021	10,000	100,000
Changes in equity share capital during the year	-	-
As at March 31, 2022	10,000	100,000

B. Other equity

Particulars	Retained earnings	Total equity
Balance as at April 01, 2020	(33,625)	(33,625)
Loss for the year	(76,800)	(76,800)
Balance as at March 31, 2021	(110,425)	(110,425)
Loss for the year	(114,780)	(114,780)
Balance as at March 31, 2022	(225,205)	(225,205)

The accompanying notes form an integral part of the financial statements.

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

For Walker Chandiok & Co LLP
Chartered Accountants
ICAI Firm Registration No.: 001076N/N500013

For and on behalf of the Board of Directors

Sd/-
Neeraj Goel
Partner
Membership No: 099514

Sd/-
Ajay Singh
Director
DIN No: 01360684

Sd/-
Shiwani Singh
Director
DIN No: 05229788

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Place: Gurugram
Date: August 29, 2022

Spice Club Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
3 Cash and cash equivalents		
Balances with banks in current accounts	15,540	75,540
	<u>15,540</u>	<u>75,540</u>
4 Other current assets		
Balance with government authorities	-	4,680
	<u>-</u>	<u>4,680</u>
5 Equity share capital		
Authorised share capital (10,000 equity shares of Rs.10 each)		
As at March 31, 2021	100,000	100,000
Increase during the year	-	-
As at March 31, 2022	<u>100,000</u>	<u>100,000</u>
Issued, subscribed and paid-up capital (10,000 equity shares of Rs.10 each)		
As at March 31, 2021	100,000	100,000
Increase during the year	-	-
As at March 31, 2022	<u>100,000</u>	<u>100,000</u>

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Value (Rs.)	Number	Value (Rs.)
Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,000	100,000	10,000	100,000

b) Terms/rights attached to class of shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by Holding Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Value (Rs.)	Number	Value (Rs.)
SpiceJet Limited	10,000	100,000	10,000	100,000

d) Details of shareholders holding more than 5 percent of equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No of Shares	% against total No. of Shares	No of Shares	% against total No. of Shares
SpiceJet Limited	10,000	100.00%	10,000	100.00%

e) Details of promoter shareholding

Name of promoter	As at March 31, 2022			As at March 31, 2022		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
SpiceJet Limited	10,000	100.00%	0%	10,000	100.00%	0%

6 Other equity

Retained earnings

Opening balance	(110,425)	(33,625)
Loss for the year	(114,780)	(76,800)
Closing balance	<u>(225,205)</u>	<u>(110,425)</u>

7 Trade payables

Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	140,745	90,645
	<u>140,745</u>	<u>90,645</u>

There are no overdue amounts payable to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Further, the Company has not paid any interest to any micro and small enterprises during the current year.

Terms and conditions of the above financial liabilities:

Trade payables are non interest bearing and carry a credit period generally between 30 and 90 days

Spice Club Private Limited
Notes to the financial statements for the year ended March 31, 2022
(All amounts are in Indian Rupees, unless otherwise stated)

Ageing schedule of trade payables

As at March 31, 2022	Outstanding from the due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	50,000	69,120	21,625	-	-	140,745
Total	50,000	69,120	21,625	-	-	140,745

As at March 31, 2021	Outstanding from the due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	50,000	40,645	-	-	-	90,645
Total	50,000	40,645	-	-	-	90,645

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
8 Other expenses		
Rent	27,500	12,500
Legal and professional fees*	87,280	64,300
	114,780	76,800
*Payments to statutory auditors as		
Audit fees	50,000	50,000
9 Income tax expense		
Current tax	-	-
Deferred tax	-	-
	-	-

The Company does not have taxable profits per the provisions of the Income-tax Act, 1961, accordingly there are no income tax expenses accounted for in the current year.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Accounting loss before income tax	(114,780)	(76,800)
At India's statutory income tax rate of 25.168% (31 March 2021: 25.168%)	(28,888)	(19,329)
Adjustments:		
Deferred tax not created on business losses**	(28,888)	(19,329)
Income tax expense reported in the statement of profit and loss	-	-

**The Company has not recognised deferred tax assets on unused business losses of the current year in absence of probability and availability of sufficient future taxable income against which such losses shall be utilised. The current year losses can be carried forward for next eight years. Further, no business losses have been brought forward from the previous years.

(This space has been intentionally left blank)

10 Earnings per share ('EPS')

The following reflects the loss and share data used in the basic and diluted EPS computations:

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Loss after tax	(114,780)	(76,800)
Weighted average number of shares		
- Basic	10,000	10,000
- Diluted	10,000	10,000
Loss per share :		
- Basic	(11.48)	(7.68)
- Diluted	(11.48)	(7.68)

11 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the Company's management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Going concern assumption

During the year, the Company has incurred net loss and, as of that date, the Company has accumulated losses, which have resulted in complete erosion of its net worth and the current liabilities have exceeded its current assets by Rs. 125,205 as at March 31, 2022. As per management, the Company will be able to recover its losses once it starts business operations. Additionally, the Holding Company will provide basic financial support to incur fixed expenses for next 12 months. Based on the factors mentioned in this note, the management is of the view that the going concern basis of accounting is appropriate.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

12 Related party transactions

a. List of related party

Relationship	Name of the party
Holding Company	SpiceJet Limited
Key managerial personnel	Ajay Singh, Director Shiwani Singh, Director

b. Transactions with related party

Particulars	March 31, 2022	March 31, 2021
<i>SpiceJet Limited</i>		
<u>Transactions during the year:</u>	-	-
<u>Outstanding Balance:</u>		
Equity share capital	100,000	100,000

13 Fair values

Particulars	March 31, 2022		March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortised cost				
Cash and cash equivalents	15,540	15,540	75,540	75,540
Total	15,540	15,540	80,220	80,220
Financial liabilities at amortised cost				
Trade payables	140,745	140,745	90,645	90,645
Total	140,745	140,745	90,645	90,645

The management assessed that cash and cash equivalents and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

14 Financial risk management objectives and policies

The Company is exposed to credit risk and liquidity risk. The Company's directors oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has cash and cash equivalents which is subject to low credit risk.

Spice Club Private Limited**Notes to the financial statements for the year ended March 31, 2022***(All amounts are in Indian Rupees, unless otherwise stated)***Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The table below provides details regarding the contractual maturities of financial liabilities based on contractual undiscounted payments

As at March 31, 2022	Up to 1 year	1 to 5 years	Total
Trade payables	140,745	-	140,745
Total	140,745	-	140,745

As at March 31, 2021	Up to 1 year	1 to 5 years	Total
Trade payables	90,645	-	90,645
Total	90,645	-	90,645

15 Capital management

The Company's objectives when managing capital are to maintain positive cash flow position. The Company's strategy is to maintain a reasonable current ratio. The current ratio is as follows:

Particulars	March 31, 2022	March 31, 2021
Current assets	15,540	80,220
Current liabilities	140,745	90,645
Current ratio	0.11	0.88

16 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Change	Reason for variance
Current ratio	Times	Current assets	Current liabilities	0.11	0.88	(87.52%)	Note 1 below
Return on equity ratio	Percentage	Profit after tax	Average of total equity	169.25%	(274.53%)	(161.65%)	Note 2 below
Return on capital employed	Percentage	Earnings before interest and taxes	Capital employed [Total assets - Current liabilities + Current borrowings]	91.67%	736.69%	(87.56%)	Note 3 below

Notes:

- The decrease in ratio is attributable to the decrease in current assets and increase in current liabilities during the year as compared to financial year 2020-21.
- The variance is on account of increase in net loss during the year and subsequent change in average total equity due to substantial increase in accumulated losses.
- The change in this ratio is attributable to decrease in total assets and increase in total liabilities, rendering the capital employed as negative.
- Debt-equity ratio, debt service coverage ratio, turnover ratios and profitability ratios do not form part of this note as the same are not applicable to the Company, owing to the fact that:
 - the Company is debt-free, and
 - there is no revenue from operations during the current year and immediately preceding financial year.

17 Additional disclosures:

- A** The Company has not advanced or loaned or invested funds to any person or any entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Company (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- B** The Company has not received any fund from any person or any entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by a or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- C** The Company does not have any transactions and outstanding balances during the current as well previous year with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

18 Adoption of financial statements

The financials have been approved by the Board of Directors on August 29, 2022 and there have been no significant events after the reporting period till such date.

This is summary of significant accounting policies and other explanatory information referred to in our report of even date.

For Walker Chandio & Co LLP

Chartered Accountants

ICAI Firm Registration No.: 001076N/N500013

Sd/-

Neeraj Goel

Partner

Membership No: 099514

Place: Gurugram

Date: August 29, 2022

For and on behalf of the Board of Directors

Sd/-

Ajay Singh

Director

DIN No: 01360684

Place: Gurugram

Date: August 29, 2022

Sd/-

Shiwani Singh

Director

DIN No: 05229788

Place: Gurugram

Date: August 29, 2022

Spice Club Private Limited
Notes to the financial statements for the year ended March 31, 2022

1. Corporate information

Spice Club Private Limited ("the Company") is domiciled in India. The registered office of the Company is 318, 3rd Floor, H-6, Aggarwal Tower, Netaji Subhash Place, Pitampura, New Delhi 110034. The Company was incorporated on October 23, 2019 (CIN - U74999DL2019PTC356527) under the Companies Act, 2013. The objective of the Company is to be engaged in the business of providing support services. The Company has not yet commenced business operations as at March 31, 2022.

The financial statements were approved for issue by the board of directors on August 29, 2022.

2. A. Summary of significant accounting policies

a) Basis of preparation of financial statements

i. Statement of compliance

The financial statements of the Company for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read together with the Companies (Indian Accounting Standards) Rules 2015, as amended.

The financial statements are presented in Indian Rupees (INR) (its functional and presentation currency) and all values are rounded off to the nearest rupee, except where otherwise indicated.

ii. Historical cost convention

The financial statements have been prepared on the historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value or amortised cost.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.
The Company has identified twelve months as its operating cycle.

c) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Spice Club Private Limited
Notes to the financial statements for the year ended March 31, 2022

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off the deferred taxes related to the same taxable entity and the same taxation authority.

d) Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

e) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash on hand and at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

f) Financial Instruments

Recognition and initial measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

g) Fair value measurement

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Spice Club Private Limited

Notes to the financial statements for the year ended March 31, 2022

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

h) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of Company or present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are disclosed only when inflow of economic benefits therefrom is probable and recognize only when realization of income is virtually certain.

B. Changes in accounting policies/disclosures and recent accounting pronouncement

Amendment to Ind AS 16, Property, Plant and Equipment

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 16 which specifies that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly).

Amendment to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 37 which specifies that the cost of fulfilling a contract comprises: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

Amendment to Ind AS 103, Business Combinations

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 103 and has added a new exception in the standard for liabilities and contingent liabilities.

Amendment to Ind AS 109, Financial Instruments

The Ministry of Corporate Affairs ("MCA") vide notification dated March 23, 2022, has issued an amendment to Ind AS 109 which clarifies that which fees an entity should include when it applies the '10%' test in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.