



NARULA & GUPTA

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEAD APPARELS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **SEAD APPARELS PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "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 Indian Accounting Standards prescribed under section 133 of the Act read with the the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, and Shareholder's Information, but 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.

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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 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 financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 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.
- 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine



that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including, Statement of Changes in Equity 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 financial statements comply with the Ind AS specified under Section 133 of the Act read with Rule 7 of the Companies(Accounts) Rules 2014
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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 do not have pending litigations which would impact on its financial position in its 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or



indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For NARULA & GUPTA

Chartered Accountants

(Firm's Registration No. 013532N)



Rajesh Narula

Partner

(Membership No.091510)

Place: New Delhi

Date: 15-05- 2023

UDIN: 23091510BGYVMR8076

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SEAD APPARELS PRIVATE LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of subsection 3 of Section 143 of the Companies Act, 2013 (the “Act”)

We have audited the internal financial controls over financial reporting of **SEAD APPARELS PRIVATE LIMITED** (the “Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Management of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act 2013.

Auditor’s Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For NARULA & GUPTA

Chartered Accountants

(Firm's Registration No. 013532N)



Rajesh Narula

Partner

(Membership No.091510)

Place: New Delhi

Date: 15-05-2023

UDIN: 23091510BGYVMR8076

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEAD APPARELS PRIVATE LIMITED of even date)

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (A) The Company do not have any Property, Plant and Equipment and relevant details of right-of-use assets.
(B) The Company do not have any intangible assets.
 - (b) The Company does not hold any Property, Plant and Equipment and right-of-use assets disclosed in the financial statements as at the balance sheet date hence reporting under Clause 3(i) (b) is not applicable.
 - (c) The Company does not hold any immovable properties disclosed in the financial statements as at the balance sheet date hence reporting under Clause 3(i) (c) is not applicable
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) The company has no Inventory. Accordingly reporting under Clause 3(ii) (a) is not applicable
 - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii.
 - (a) The Company has not made investments in, nor provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships, and granted unsecured loans to any other parties, during the year, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.
- iv. The Company has not granted loans, investments, guarantees and security complied within the provisions of Sections 185 and 186 of the Companies Act, 2013. Hence, reporting under clause 3(iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the provisions of section 73 to 76 any relevant provisions Companies Act, 2013 and rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.



vii. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues as were applicable to it with the appropriate authorities during the financial year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us there are no disputed dues pending to be deposited in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken term loan during the year.

(d) On an overall examination of the financial statements of the Company has not raised funds raised on short term basis which have, prima facie, been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(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 3(x)(b) of the Order is not applicable.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company is not required to have adequate internal audit system commensurate with the size and the nature of its business as per the provision of Section 138 of the Companies Act 2013.
- (b) Since the Company is not required to have internal audit system clause (xiv)(b) is not applicable.
- xv. 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) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash loss of Rs.0.67 lacs during the financial year covered by our audit.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. 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 and 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 indicating that 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. The Company is not covered under section 135 of the Companies Act 2013. Accordingly, reporting under clause 3(xx) (a) & (b) of the Order is not applicable for the year.



- xxi. Consolidated Financial Statements is not applicable to the Company. Accordingly, clause 3(xxi) of the Order is not applicable.

For NARULA & GUPTA
Chartered Accountants
(Firm's Registration No. 013532N)



Place: New Delhi
Date : 15-05-2023
UDIN: 23091510BGYVMR8076

SEAD APPARELS PRIVATE LIMITED

CIN: U17299DL2022PTC400621

Balance Sheet as at 31st March, 2023

(Amount in Rs lacs, unless otherwise stated)

Particulars	Note No.	As at 31st March, 2023
ASSETS		
Non Current Assets		
Property, Plant & Equipment & intangible assets		
Tangible assets		-
Intangible assets		-
Current Assets		
Cash and Cash Equivalents	4	0.54
TOTAL		0.54
EQUITY AND LIABILITIES		
Shareholder's Funds		
Equity Share Capital	5	1.00
Other Equity	6	(0.67)
Non-Current Liabilities		
Long Term Borrowings		-
Current Liabilities		
Trade Payables		
Sundry Creditors	7	0.12
Other Current Liabilities	8	0.09
TOTAL		0.54
Significant Accounting Policies	3	
Notes on Financial Statements	4 to 15	

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For **Narula & Gupta**
Chartered Accountants
FR No. 013532N

CA Rajesh Narula
Partner
M. No. 091510



Place: New Delhi
Date: 15-05-2023
UDIN: 23091510BGYYMR8076

For and on behalf of Board
For **Sead Apparels Private Limited**

Pulkit Seth
Director
DIN 00003044

Pallab Banerjee
Director
DIN 07193749

SEAD APPARELS PRIVATE LIMITED
CIN: U17299DL2022PTC400621

Statement of Profit & Loss for the year ended 31st March, 2023

(Amount in Rs lacs, unless otherwise stated)

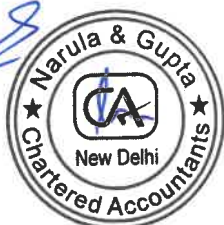
Particulars	Note No.	From 24.06.2022 to 31.03.2023
INCOME		-
Revenue from Operations		-
Total Income		-
EXPENDITURE		
Other Expenses	9	0.54
Preliminary Expenses Amortised		0.12
Total Expenses		0.67
Profit / (Loss) Before Tax		(0.67)
Less: Tax Expense		-
Current Tax		-
Profit / (Loss) for the year		(0.67)
Earning per equity share (EPS) of face value of Rs 10/- each		
Basic and Diluted (in Rs.)	10	(0.000067)
Significant Accounting Policies	3	
Notes on Financial Statements	4 to 15	

The accompanying notes are an integral part of these financial statements
As per our Report of even date

For Narula & Gupta
Chartered Accountants
FR No. 013532N

CA Rajesh Narula
Partner
M. No. 091510

Place: New Delhi
Date: 15-05-2023
UDIN: 23091510BGVVMR8076



For and on behalf of Board
For Sead Apparels Private Limited


Pulkit Seth
Director
DIN 00003044


Pallab Banerjee
Director
DIN 07193749

SEAD APPARELS PRIVATE LIMITED

CIN: U17299DL2022PTC400621

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2022-23

(Amount in Rs lacs, unless otherwise stated)

2022-23

A: CASH FLOW FROM OPERATING ACTIVITIES

Net Profit/(Loss) Before Tax as per Profit and Loss Statement (0.67)

Adjusted for :

Less: Interest Income

-
(0.67)

Operating Profit before Working Capital Changes

Changes in Working Capital:

Decrease/(Increase) in Trade and Other Receivables

(Decrease)/Increase in Trade and Other Payables

-
0.21

0.21

Cash Generated from Operations

(0.46)

Less: Taxes Paid (Net)

-

Net Cash from Operating Activities

(0.46)

B: CASH FLOW FROM INVESTING ACTIVITIES

Interest Income

-

Net Cash(Used in) from Investing Activities

-

C: CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Issue of Shares

1.00

Net Cash (Used in) / Generated from Financing Activities

1.00

Net (Decrease) in Cash and Cash Equivalents

0.54

Opening Balance of Cash and Cash Equivalents

-

Closing Balance of Cash and Cash Equivalents *

0.54

* Refer Note 4

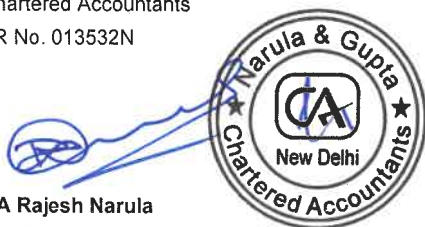
Notes to Cash Flow Statement

1. Current year being first year of operation, hence no previous year figures are available.
2. The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7
3. The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations

For Narula & Gupta

Chartered Accountants

FR No. 013532N



CA Rajesh Narula

Partner

M. No. 091510

For and on behalf of Board

For Sead Apparels Private Limited

Pulkit Seth

Director

DIN 00003044

Pallab Banerjee

Director

DIN 07193749

Place: New Delhi

Date: 15-05-2023

UDIN: 23091510BGYVMR8076

SEAD APPARELS PRIVATE LIMITED

CIN: U17299DL2022PTC400621

STATEMENT OF CHANGES IN EQUITY

(Amount in Rs lacs, unless otherwise stated)

A. Equity Share Capital

Balance at the beginning - 24/June/22	Changes in equity share capital during the current year	Balance at the end -31/Mar/23
1	-	1

B. Other Equity

	Others Reserve [nature Specify]	Retained earnings	Revaluation Surplus	Total
Balance at the beginning -24/June/22	-	-	-	-
Transfer to retained earnings	-	(0.67)	-	(0.67)
Any other change (to be specified)	-	-	-	-
Balance at the end - 31/Mar/23	-	(0.67)	-	(0.67)

For Narula & Gupta

Chartered Accountants

FR No. 013532N

CA Rajesh Narula

Partner

M. No. 091510



For and on behalf of Board

For Sead Apparels Private Limited



Pulkit Seth

Director

DIN 00003044



Pallab Banerjee

Director

DIN 07193749

Place: New Delhi

Date: 15-05-2023

UDIN: 23091510BGYVMR8076

SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the period ended 31st March, 2023

1. Company Information

Sead Apparels Private Limited is a private limited company domiciled in India was incorporated on June 24th 2022 under the Companies Act 2013 and has its registered office at C-17/1 Paschimi Marg, Vasant Vihar, New Delhi, South West Delhi, Delhi, 110057. The Company is primarily engaged in manufacturing of textiles and textile products through its facilities and operations in India.

2. Basis of preparation and measurement

- a) **Statement of Compliance:** The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Companies Act, 2013, as applicable.
- b) **Basis of Preparation and presentation:** The financial statements are prepared under the historical cost convention except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value or amortised cost. All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current non-current classification of assets and liabilities.

a) Functional and Presentation Currency

The financial statements are presented in Rs. which is its functional & presentational currency and all values are rounded to the nearest Lakhs up to two decimal places except otherwise stated.

b) Going Concern

The board of directors have considered the financial position of the Company at March 31, 2023 and the projected cash flows and financial performance of the Company for at least twelve months from the date of approval of these financial statements as well as planned cost and cash improvement actions, and believe that the plan for sustained profitability remains on course.

The board of directors have taken actions to ensure that appropriate long-term cash resources are in place at the date of signing the accounts to fund the Company's operations.



c) Recent accounting pronouncements notified by Ministry of Corporate Affairs are as under:-

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2023, as below:

i) Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements

ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

iii) Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 01, 2023. The Company has evaluated the amendment and there is no impact on its financial statement

3. Significant accounting policies

a) Significant accounting judgements, estimates and assumptions

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

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected.



Use of Estimates and Judgements

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

The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

Such changes are reflected in the assumptions when they occur. Also, the Company has made certain judgements in applying accounting policies which have an effect on amounts recognised in the financial statements.

i) Income taxes

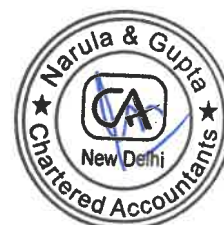
The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. tax positions are uncertain, accruals are recorded within income tax liabilities for management's best estimate of the ultimate liability that is expected to arise based on the specific circumstances and the Company's historical experience. Factors that may have an impact on current and deferred taxes include changes in tax laws, regulations or rates, changing interpretations of existing tax laws or regulations, future levels of research and development spending and changes in pre-tax earnings.

ii) Contingencies

Contingent Liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By virtue of their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgements and the use of estimates regarding the outcome of future events.

iii) Recoverability of deferred taxes

In assessing the recoverability of deferred tax assets, management considers whether it is probable that taxable profit will be available against which the losses can be utilised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment.



b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets:

An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle.
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) 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.

Liabilities:

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity).

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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 are offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognised amounts and there is an intention either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

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 assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period 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 balance sheet date. Tax relating to items recognised directly in equity/other comprehensive income is recognised in respective head and not in the statement of profit & loss.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity)

d) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand 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 the statement of cash flows, cash and cash equivalents consist of cash balance on hand, cash balance at banks 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.

e) Statement of Cash flows

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.



f) Earnings per share (EPS)

In determining earnings per share, the Company considers the net profit after tax and includes the post-tax effect of any extraordinary items. Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period. Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. A transaction is considered to be antidilutive if its effect is to increase the amount of EPS, either by lowering the share count or increase the earnings.

g) Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the statement of profit and loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.



SEAD APPARELS PRIVATE LIMITED**Notes on Financial Statements for the year ended 31st March, 2023**

(Amount in Rs lacs, unless otherwise stated)

4 CASH AND CASH EQUIVALENTS

	As at 31st March, 2023
Cash on Hand	-
Balance with Banks:	
in Current Accounts - SBI	0.54
TOTAL	0.54

5 EQUITY SHARE CAPITAL

	As at 31st March, 2023
Authorized Share Capital :	
1,50,000 Equity Shares of Rs. 10 each	15.00
	15.00
Issued, Subscribed and Fully Paid up :	
10,000 Equity Shares of Rs. 10 each	1.00
	1.00

5.1 Right, preferences and restrictions attached to equity shares:

The Company has only one class of Equity Shares having a par value of Rs.10/- each. Each shareholder is entitled to one vote per share held. In the event of Liquidation of the company, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in the proportion to their shareholdings.

Details of Shareholders holding more than 5% of the aggregate shares in the Company :

5.2 Name of the Shareholder

	No. of shares	As at 31st March, 2023 % held
Pearl Global Industries Limited	9,999	99.99
-	9,999	99.99

Reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2023 No. of Shares
Equity Shares at the beginning of the year	-
Add: Issued during the year	10,000.00
Equity Shares at the end of the year	10,000.00

5.3 Details of Shares held by Promoters at the end of the year

Promoter Name	No. of Shares	% of Total Shares	Changes since inc.	% Changes
Pearl Global Industries Limited	9,999	99.99	-	-
Pallab Banerjee	1	0.01	-	-
TOTAL	10,000	100	-	-

6 OTHER EQUITY

	As at 31st March, 2023
Surplus/(Deficit) in the Statement of Profit & Loss	
Balance at the beginning of the year	-
Add: Profit/(Loss) for the year	(0.67)
Closing Balance	(0.67)
TOTAL	(0.67)



SEAD APPARELS PRIVATE LIMITED**Notes on Financial Statements for the year ended 31st March, 2023****7 TRADE PAYABLES****(Amount in Rs lacs, unless otherwise stated)**

		As at 31st March, 2023
Creditors - Trade Payable		
(a) total outstanding dues of micro enterprises and small enterprises		-
(b) total outstanding dues of Creditors other than micro enterprises and small enterprises*		
Outstanding for Less than 1 year	0.12	
Outstanding from 1-2 years	-	
Outstanding from 2-3 years	-	
Outstanding from more than 3 years	-	0.12
TOTAL		0.12

* The company has not received information from the Vendors regarding their status under the Micro, Small & Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under the Act has not been given.

8 OTHER CURRENT LIABILITIES

		As at 31st March, 2023
Other Expenses Payable		
Audit Fee Payable		0.09
TOTAL		0.09

9 OTHER EXPENSES

		From 24.06.2022 to 31.03.2023
Administrative Expenses:		
Audit fee	0.09	
Rent	0.21	0.30
Finance Cost:		
Bank Charges		0.24
TOTAL		0.54

9.1 PAYMENT TO AUDITORS AS :

		From 24.06.2022 to 31.03.2023
Audit Fee		0.09
Others		-
TOTAL		0.09

10 EARNING PER SHARE (EPS) :

	(Amount in Rs) From 24.06.2022 to 31.03.2023
Net Profit / (Loss) after tax as per Statement of Profit & Loss attributable to equity shareholders	(0.67)
Weighted average number of equity shares	10,000
Basic & Diluted Earning Per Share	(0.000067)
Face Value of Equity Share	10.00
(The Company does not have potentially dilutive equity shares)	

11 RELATED PARTY DISCLOSURE :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Name of Related Party	Relationship
Deepak Seth	
Pulkit Seth	Key Managerial Person
Pallab Banerjee	
Pearl Global Industries Limited	Holding company

(ii) Transaction during the year with related parties

Nature of Transactions	Key Managerial Personnel	Associates	Total
	NIL	NIL	NIL



SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

- 12 Other Notes
- 13 Financial Ratios
- 14 No Provision for Income Tax has been made in accordance with the Income Tax Act, 1961 in view of Losses
- 15 Current year being first year of operation, hence no previous year figures are available.

The accompanying notes are an integral part of these financial statements

For Narula & Gupta
Chartered Accountants
FR No. 013532N

CA Rajesh Narula
Partner
M. No. 091510



Place: New Delhi
Date: 15-05-2023
UDIN: 23091510BGYVMR8076

For and on behalf of Board
For Sead Apparels Private Limited

Pulkit Seth
Director
DIN 00003044

Pallab Banerjee
Director
DIN 07193749

SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

12 Others

- i The Company do not hold any immovable property (Other than properties where the company is the lessee and the lease agreement are duly executed in favour of the Company whose title deeds are not held in the name of the company)
- ii The Company has not revalued its property, plant and equipment during the current or previous year.
- iii The Company has not granted any loans or advances in the nature of Loans to the promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person which are repayable on demand or without specifying any terms or period of repayment.
- iv The Company do not have any capital work in progress during the year.
- v The Company do not have and intangible assets under development during the year
- vi The Company does not hold any benami property and there are no proceedings that have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended from time to time) (earlier Benami Transactions (Prohibition) Act, 1988) and the rules made thereunder.
- vii The company has not taken borrowings from banks or financial institutions on the basis of security of current assets.
- viii The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- ix The Company does not have any transactions with companies struck-off u/s 248 of the companies Act 2013
- x The Company does not have any registration of charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- xi The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, and there are no companies beyond the specified layers.
- xii The Company have not entered into any Scheme of Arrangement approved by competent authority in terms of Section 230 to 237 of the Companies Act 2013
- xiii 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: (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 like to or on behalf of the Ultimate Beneficiaries.
- xiv The Company has not received funds from any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) 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 like to or on behalf of the Ultimate Beneficiaries.
- xv The Company does not have any transaction which is not recorded in the books of account 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).
- xvi The Company is not covered under section 135 of the Companies Act 2013
- xvii The Company has neither traded nor invested in Crypto Currency or Virtual Currency during the financial year.
- xviii In the opinion of the management, loans and advances, trade receivables and other current/non-current assets (other than non-current investments) do not have a realisable value less than they are stated in the Balance Sheet in the ordinary course of the business.



SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2023

Name of Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	Variance	Reasons
Current ratio	Current Assets	Current Liabilities		2.55		
Debt- Equity Ratio	Total Debt	Shareholder's Equity		-		
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	NA			
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	(2.02)			
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA			
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA			
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA			
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-			
Net Profit ratio	Net Profit After Tax	Net sales = Total sales - sales return	-			
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	(2.02)			
Return on Investment	Earnings before interest and taxes	Total Assets	(1.23)			

