



**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, 2025, 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").

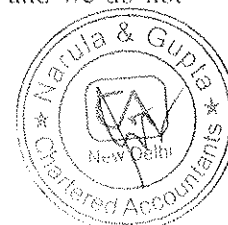
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the 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, 2025 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.

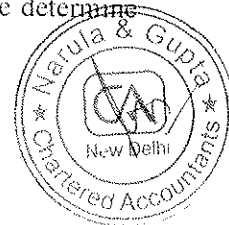
Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (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.

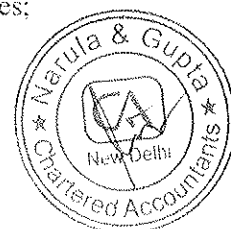
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation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

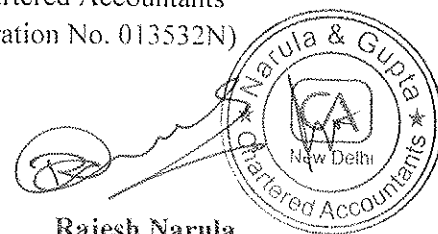
### **Report on Other Legal and Regulatory Requirements**

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, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the 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.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. In the company in respect of financial years commencing on or after the 1st April, 2023 has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.
- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.
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: 09-05-2025  
UDIN: 25091510BMNRER8001

## **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, 2025 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting 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.

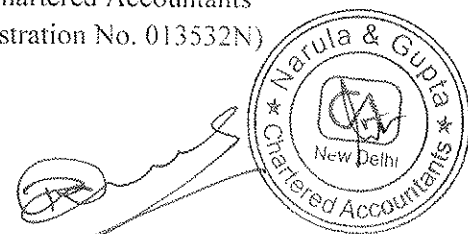
## Opinion

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, 2025, 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: 09-05-2025

UDIN: 25091510BMNRER8001

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

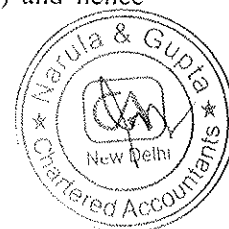
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SEAD APPARELS PRIVATE LIMITED of even date)

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 has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company do not have any intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so to cover all the assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) The Company does not hold any freehold immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in Note no.4 of 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 (including right of-use assets) during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) As explained to us, the inventory of the company has been physically verified at reasonable interval by the management. In our opinion the coverage and procedure of such verification is appropriate and no material discrepancy of 10% or more in aggregate of each class of inventory has been noticed on such verification.
  - (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 given any loans to directors or any other person in whom the director is interested, or not made any investments. Hence, reporting under clause 3(iv) of the Order is not applicable.

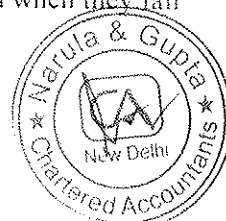


- v. The Company has not accepted any deposit or amounts which are deemed to be deposits within the provisions of section 73 to 76 any relevant provisions Companies Act, 2013 and rules made thereunder. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records 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, 2025 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 willful 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.



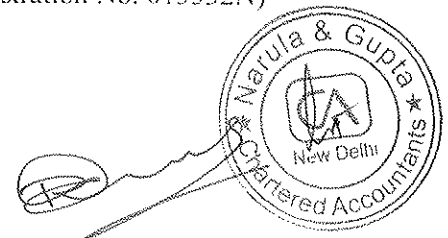
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.  
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the 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 **35.24 lacs** during the financial year covered by our audit and **17.81 lacs** immediately preceding financial year.
- 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 realization 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)



**Rajesh Narula**  
Partner  
(Membership No.091510)

Place: New Delhi  
Date: 09-05-2025  
UDIN: 25091510BMNRER8001

**SEAD APPARELS PRIVATE LIMITED**  
**Balance Sheet as at March 31, 2025**

(Amount in Lakhs , unless otherwise stated)

| Particulars                                                                             | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>Assets</b>                                                                           |          |                      |                      |
| <b>I. Non-Current Assets</b>                                                            |          |                      |                      |
| (a) Property, Plant and Equipment                                                       | 4        | 220.72               | 12.19                |
| (b) Other Non Current Assets                                                            | 5        | 2.52                 | 200.11               |
| <b>Total Non-Current Assets</b>                                                         |          | <b>223.24</b>        | <b>212.30</b>        |
| <b>Current Assets</b>                                                                   |          |                      |                      |
| (a) Inventories                                                                         | 6        | 1.69                 | 1.54                 |
| (b) Financial assets                                                                    | 7        | 0.61                 | 9.14                 |
| (iii) Cash and cash equivalents                                                         | 8        | 6.55                 | 4.36                 |
| <b>Total Current Assets</b>                                                             |          | <b>8.85</b>          | <b>15.04</b>         |
| <b>Total Assets</b>                                                                     |          | <b>232.09</b>        | <b>227.34</b>        |
| <b>II. Equity and liabilities</b>                                                       |          |                      |                      |
| <b>Equity</b>                                                                           |          |                      |                      |
| (a) Equity share capital                                                                | 9        | 1.00                 | 1.00                 |
| (b) Other equity                                                                        | 10       | (56.86)              | (19.10)              |
| <b>Total equity</b>                                                                     |          | <b>(55.86)</b>       | <b>(18.10)</b>       |
| <b>Liabilities</b>                                                                      |          |                      |                      |
| <b>Non Current Liabilities</b>                                                          |          |                      |                      |
| (a) Deferred Tax Liability (Net)                                                        | 11       | 0.21                 | 0.05                 |
| (b) Long term Borrowings                                                                | 12       | 284.76               | 234.68               |
| <b>Total Non Current Liabilities</b>                                                    |          | <b>284.97</b>        | <b>234.73</b>        |
| <b>Current liabilities</b>                                                              |          |                      |                      |
| (a) Financial Liabilities                                                               |          |                      |                      |
| (i) Trade payables                                                                      | 13       |                      |                      |
| - Total outstanding due of micro enterprises and small enterprises                      |          | 0.06                 | 2.75                 |
| - Total outstanding due of creditors other than micro enterprises and small enterprises |          | 2.40                 | 7.44                 |
| (b) Other Current Liabilities                                                           | 14       | 0.52                 | 0.52                 |
| <b>Total current liabilities</b>                                                        |          | <b>2.98</b>          | <b>10.71</b>         |
| <b>Total Equity and Liabilities</b>                                                     |          | <b>232.09</b>        | <b>227.34</b>        |
| <b>Summary of Significant Accounting Policies Information</b>                           | 3        |                      |                      |
| The accompanying notes are an integral part of these financial statements               | 1-2      |                      |                      |

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: May 9, 2025  
UDIN: 25091510BMNRER8001



For and on behalf of Board  
Sead Apparels Private Limited

Pulkit Seth  
Director  
DIN 00003044

Pallab Banerjee  
Director  
DIN 07193749

**SEAD APPARELS PRIVATE LIMITED****Statement of Profit and Loss for year ended March 31, 2025**

(Amount in Lakhs , unless otherwise stated)

| Particulars                                                                       | Note No. | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------------------------------------------------------------------|----------|-----------------------------------|-----------------------------------|
| <b>I Income</b>                                                                   |          |                                   |                                   |
| Revenue from operations                                                           | 15       | -                                 | 1.62                              |
| <b>Total income (I)</b>                                                           |          | -                                 | 1.62                              |
| <b>II Expenses</b>                                                                |          |                                   |                                   |
| (a) Cost of materials consumed                                                    | 16       | 0.65                              | 1.81                              |
| (b) Changes in inventories of finished goods, work in progress and stock in trade | 17       | (0.65)                            | (0.78)                            |
| (c) Employee benefits expense                                                     | 18       | 5.20                              | 0.86                              |
| (d) Finance costs                                                                 | 19       | 18.48                             | 2.96                              |
| (e) Depreciation and amortisation expense                                         | 20       | 2.36                              | 0.57                              |
| (f) Other expenses                                                                | 21       | 11.55                             | 14.58                             |
| <b>Total expenses</b>                                                             |          | 37.60                             | 20.00                             |
| <b>Profit/ (loss) before exceptional items and tax (I-II)</b>                     |          | (37.60)                           | (18.38)                           |
| <b>IV Exceptional Items</b>                                                       |          | -                                 | -                                 |
| <b>V Profit/ (loss) before tax (III-IV)</b>                                       |          | (37.60)                           | (18.38)                           |
| <b>VI Tax expense:</b>                                                            |          |                                   |                                   |
| (a) Current tax                                                                   |          | -                                 | -                                 |
| (b) Deferred tax                                                                  |          | 0.16                              | 0.05                              |
| <b>Total tax expense</b>                                                          |          | 0.16                              | 0.05                              |
| <b>VII Profit/(loss) for the year (V-VI)</b>                                      |          | (37.76)                           | (18.43)                           |
| <b>VIII Earnings per share: (face value Rs. 10 per share)</b>                     |          |                                   |                                   |
| Basic & Diluted (amount in Rs.)                                                   |          | (377.59)                          | (184.27)                          |

**Summary of Significant Accounting Policies Information**

3

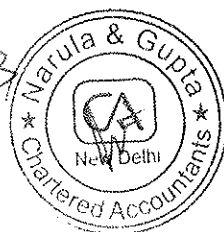
The accompanying notes are an integral part of these financial statements

1-2

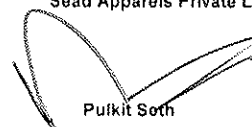
As per our Report of even date

For Narula & Gupta  
Chartered Accountants  
FR No. 013532N

CA Rajesh Narula  
Partner  
M. No. 091510



For and on behalf of Board  
Sead Apparels Private Limited

  
Pulkit Soth  
Director  
DIN 00003044

  
Pallab Banerjee  
Director  
DIN 07193749

Place: New Delhi

Date: May 9, 2025

UDIN: 25091510BMNRER8001

## SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the period ended 31st March, 2025

### 1. Company Information

**Sead Apparels Private Limited** is a private limited company domiciled in India was incorporated on June 24<sup>th</sup> 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. 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.

#### 1. 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.

#### 2. Going Concern

The board of directors have considered the financial position of the Company at March 31, 2025 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.



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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**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) Property, Plant and Equipment (PPE) and Depreciation**

Property, plant and equipment and capital work in progress are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the asset.

#### **Depreciation :**

Depreciation is provided on a pro-rata basis on the straight-line basis on the estimated useful life prescribed under Schedule II to Companies Act , 2013 with the following exception:

- Property, plant & equipment costing upto Rs. 5,000 has been fully depreciated during the financial year

#### **d) Borrowing costs**

Borrowing costs consists of interest and amortisation of ancillary costs that an entity incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

#### **e) Revenue Recognition**

##### **Sale of products**

Revenue from sale of products is recognised at the point in time when control of product is transferred to the customer. In case of Export sale, transfer of control generally takes place at the time of expected date of departure which is specified

#### **f) Inventories**

i) Inventories of finished goods manufactured by the Company are valued style-wise and at lower of cost and estimated net realisable value. Cost includes material cost on weighted average basis and appropriate share of overheads incurred in bringing them to their present location and condition.

ii) Inventories of raw material, work in progress, accessories & consumables are valued at cost (weighted average method) or at estimated net realisable value whichever is lower.

iii) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to



make the sale. The comparison of cost and net realisable value is made on an item by item basis.

#### **g) Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Company as a lessee**

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

#### **i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets (i.e. 30 and 60 years) If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

#### **ii) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the



Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in other current and non-current financial liabilities.

**(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. "Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**h) Financial instruments**

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

**Initial recognition and measurement**

A financial asset is initially recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial Asset carried at amortised cost
- Financial Asset at fair value through other comprehensive income (FVTOCI)
- Financial Asset at fair value through profit and loss (FVTPL)

**(i) Financial asset carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



### **Financial asset at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Financial asset at fair value through profit and loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### **De-recognition**

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- (i) The contractual rights to receive cash flows from the asset has expired, or
- (ii) The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **(ii) Financial liabilities**

#### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade and other payables, security deposits received etc.

#### **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at amortised cost
- Financial liabilities at fair value through profit and loss (FVTPL)

A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such at initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the Statement of Profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in the Statement of Profit and loss.

#### **De-recognition**

A financial liability is derecognised 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.



## **i) 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.

## **j) 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.

#### **k) 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.

#### **l) 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.

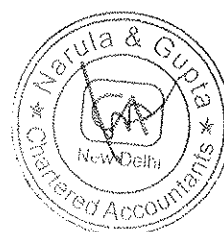
#### **m) Contingent liabilities and contingent assets**

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.

#### **n) 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

## CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2024-25

(Amount in Lakhs, unless otherwise stated)

| Particulars                                                   | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>                 |                                   |                                   |
| Net Profit/(Loss) Before Tax as per Profit and Loss Statement | (37.60)                           | (18.38)                           |
| Adjusted for:                                                 |                                   |                                   |
| Less: Depreciation                                            | 2.36                              | 0.57                              |
| Less: Interest Income                                         | -                                 | -                                 |
| Add :- Interest Expenses                                      | 18.48                             | -                                 |
|                                                               | (16.75)                           | (17.81)                           |
| Operating Profit before Working Capital Changes               |                                   |                                   |
| Changes in Working Capital:                                   |                                   |                                   |
| Decrease/(Increase) in Inventory                              | (0.15)                            | (1.54)                            |
| Decrease/(Increase) in Other Current Assets                   | (2.19)                            | (4.36)                            |
| (Decrease)/Increase in Trade and Other Payables               | (7.74)                            | 9.98                              |
| (Decrease)/Increase in Other Current Liabilities              | (0.00)                            | 0.52                              |
|                                                               | (10.08)                           | 4.60                              |
| Cash Generated from Operations                                | (26.83)                           | (13.22)                           |
| Less: Taxes Paid (Net)                                        | -                                 | -                                 |
| Net Cash from Operating Activities                            | (26.83)                           | (13.22)                           |
| <b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>                 |                                   |                                   |
| Purchase of Property Plant & Equipment                        | (210.90)                          | (12.76)                           |
| (Increase)/Decrease in CWIP                                   | -                                 | -                                 |
| (Increase)/Decrease in Capital Advances                       | 197.59                            | (200.11)                          |
| Interest Income                                               | -                                 | -                                 |
| Net Cash (Used in) from Investing Activities                  | (13.31)                           | (212.87)                          |
| <b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>                 |                                   |                                   |
| Proceeds from Issue of Shares                                 | -                                 | -                                 |
| Increase/(Decrease) in Long term Borrowings                   | 40.00                             | 234.68                            |
| Interest Paid                                                 | (8.38)                            | -                                 |
| Net Cash (Used in) / Generated from Financing Activities      | 31.62                             | 234.68                            |
| Net (Decrease) in Cash and Cash Equivalents                   | (8.52)                            | 8.59                              |
| Opening Balance of Cash and Cash Equivalents                  | 9.14                              | 0.54                              |
| Closing Balance of Cash and Cash Equivalents *                | 0.61                              | 9.14                              |

\* Refer Note 4

### Notes to Cash Flow Statement

- The Cash Flow Statement has been prepared under the 'Indirect Method' set out in Ind AS 7
- The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discontinuing operations
- Previous year's figures have been regrouped/reclassified wherever necessary.

### Summary of Significant Accounting Policies Information

The accompanying notes are an integral part of these financial statements

3

1-2

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 Sethi  
Director  
DIN 00003044

Pallab Banerjee  
Director  
DIN 07193749

Place: New Delhi  
Date: May 9, 2025  
UDIN: 25091510BMNRER8001

# SEAD APPARELS PRIVATE LIMITED

## STATEMENT OF CHANGES IN EQUITY

(Amount in Lakhs , unless otherwise stated)

### A. Equity Share Capital

|                         |      |
|-------------------------|------|
| As At April 01, 2023    | 1.00 |
| Changes during the year | -    |
| As at March 31, 2024    | 1.00 |
| Changes during the year | -    |
| As at March 31, 2025    | 1.00 |

### B. Other Equity

|                              | Others Reserve (nature Specify) | Retained earnings | Revaluation Surplus | Total   |
|------------------------------|---------------------------------|-------------------|---------------------|---------|
| Balance as at April 01, 2023 | -                               | (0.67)            | -                   | (0.67)  |
| Profit/(loss) for the year   | -                               | (18.43)           | -                   | (18.43) |
| Balance as at March 31, 2024 | -                               | (19.10)           | -                   | (19.10) |
| Profit/(loss) for the year   | -                               | (37.76)           | -                   | (37.76) |
| Balance as at March 31, 2025 | -                               | (56.86)           | -                   | (56.86) |

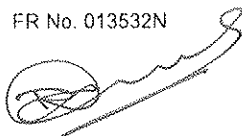
### Summary of Significant Accounting Policies information

3

The accompanying notes are an integral part of these financial statements

1-2

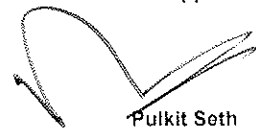
For Narula & Gupta  
Chartered Accountants  
FR No. 013532N



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: May 9, 2025  
UDIN: 25091510BMNRER8001

**SEAD APPARELS PRIVATE LIMITED**

Notes to standalone financial statements for the year ended March 31, 2025  
(Amount in Lakhs , unless otherwise stated)

**Note 4 : Property, plant and equipment**

| Particulars                         | Plant and Equipment | Electrical Fitting | Land Leasehold | Total  |
|-------------------------------------|---------------------|--------------------|----------------|--------|
| <b>As At April 01, 2023</b>         |                     |                    |                |        |
| Add: Additions made during the year | 11.97               | 0.79               | -              | 12.76  |
| (Less): Disposals during the year   | -                   | -                  | -              | -      |
| <b>As at March 31, 2024</b>         | 11.97               | 0.79               | -              | 12.76  |
| Add: Additions made during the year | -                   | -                  | 210.90         | 210.90 |
| (Less): Disposals during the year   | -                   | -                  | -              | -      |
| <b>As at March 31, 2025</b>         | 11.97               | 0.79               | 210.90         | 223.65 |

**Accumulated depreciation/amortization**

|                                                    |      |      |      |      |
|----------------------------------------------------|------|------|------|------|
| <b>As At April 01, 2023</b>                        |      |      |      |      |
| Add: Depreciation/amortization charge for the year | 0.39 | 0.18 | -    | 0.57 |
| (Less): Disposals during the year                  | -    | -    | -    | -    |
| <b>As at March 31, 2024</b>                        | 0.39 | 0.18 | -    | 0.57 |
| Add: Depreciation/amortization charge for the year | 0.84 | 0.06 | 1.46 | 2.36 |
| (Less): Disposals during the year                  | -    | -    | -    | -    |
| <b>As at March 31, 2025</b>                        | 1.23 | 0.24 | 1.46 | 2.93 |

**Net carrying amount**

|                             |       |      |        |        |
|-----------------------------|-------|------|--------|--------|
| <b>As at March 31, 2025</b> | 10.74 | 0.55 | 209.43 | 220.72 |
| <b>As at March 31, 2024</b> | 11.58 | 0.61 | -      | 12.19  |



**SEAD APPARELS PRIVATE LIMITED**
**Notes on Financial Statements for the year ended 31st March, 2025**

(Amount in Lakhs , unless otherwise stated)

| Note No |                                                                  | As at March 31, 2025        | As at March 31, 2024        |
|---------|------------------------------------------------------------------|-----------------------------|-----------------------------|
| 5       | <b>Other Non Current assets</b>                                  |                             |                             |
|         | Capital advances                                                 | 0.20                        | 200.11                      |
|         | Security Deposit                                                 | 2.32                        | -                           |
|         | <b>Total</b>                                                     | <b>2.52</b>                 | <b>200.11</b>               |
| 6       | <b>Inventories</b>                                               | <b>As at March 31, 2025</b> | <b>As at March 31, 2024</b> |
|         | Raw materials                                                    | 0.26                        | 0.76                        |
|         | Work in progress                                                 | -                           | 0.78                        |
|         | Finished Goods                                                   | 1.42                        | -                           |
|         | <b>Total</b>                                                     | <b>1.69</b>                 | <b>1.54</b>                 |
| 7       | <b>Cash and cash equivalents</b>                                 | <b>As at March 31, 2025</b> | <b>As at March 31, 2024</b> |
|         | Balances with banks:                                             |                             |                             |
|         | - Current account                                                | 0.61                        | 9.14                        |
|         | <b>Total</b>                                                     | <b>0.61</b>                 | <b>9.14</b>                 |
| 8       | <b>Other current assets</b>                                      | <b>As at March 31, 2025</b> | <b>As at March 31, 2024</b> |
|         | Balance with government authorities - considered good            | 5.48                        | 3.96                        |
|         | Advances To Suppliers - Current                                  | -                           | 0.40                        |
|         | Prepaid Expenses                                                 | 1.07                        | -                           |
|         | <b>Total</b>                                                     | <b>6.55</b>                 | <b>4.36</b>                 |
| 9       | <b>Equity Share Capital</b>                                      | <b>As at March 31, 2025</b> | <b>As at March 31, 2024</b> |
|         | Authorized Share Capital                                         |                             |                             |
|         | 3500000(March 31,2024: 150000 ) Equity Share of Rs 10 Each       | 350.00                      | 15.00                       |
|         | issued, subscribed and paid up                                   | 1.00                        | 1.00                        |
|         | <b>a) Reconciliation of issued and subscribed share capital:</b> |                             |                             |
|         | Equity Share of ₹ 10 each                                        | <b>No. of shares</b>        | <b>Amount</b>               |
|         | Balance as at April 01, 2023                                     | 10,000.00                   | 1.00                        |
|         | Changes during the year                                          | -                           | -                           |
|         | <b>Balance as at March 31, 2024</b>                              | <b>10,000.00</b>            | <b>1.00</b>                 |
|         | Changes during the year                                          | -                           | -                           |
|         | <b>Balance as at March 31, 2025</b>                              | <b>10,000.00</b>            | <b>1.00</b>                 |

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. 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) Details of shareholders holding more than 5% shares in the Company

| Name of Shareholder             | As at March 31, 2025 |                   | As at March 31, 2024 |                   |
|---------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                 | No. of shares        | % of total shares | No. of shares        | % of total shares |
| Pearl Global Industries Limited | 9999                 | 99.99             | 9999                 | 99.99             |
| <b>Total</b>                    | <b>9999</b>          | <b>99.99</b>      | <b>9999</b>          | <b>99.99</b>      |

d) Details of Promotor's shareholding:

| Name of Shareholder             | As at March 31, 2025 |                   | As at March 31, 2024 |                   | % change during the year |
|---------------------------------|----------------------|-------------------|----------------------|-------------------|--------------------------|
|                                 | No. of shares        | % of total shares | No. of shares        | % of total shares |                          |
| Pearl Global Industries Limited | 9,999.00             | 99.99             | 9,999.00             | 99.99             | -                        |
| Mr. Pallab Banerjee             | 1.00                 | 0.01              | 1.00                 | 0.01              | -                        |
| <b>Total</b>                    | <b>10,000.00</b>     | <b>100.00</b>     | <b>10,000.00</b>     | <b>100.00</b>     |                          |



## SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the year ended 31st March, 2025

(Amount in lakhs, unless otherwise stated)

| 10 Other equity  | As at March 31, 2025 | As at March 31, 2024 |
|------------------|----------------------|----------------------|
| Retained Earning | (19.10)              | (0.67)               |
| During the Year  | (37.76)              | (18.43)              |
| Total            | (56.86)              | (19.10)              |

| 11 Deferred Tax Liability (Net)                  | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------------------|----------------------|----------------------|
| Deferred tax liability relates to the following: |                      |                      |
| Property, plant and equipment                    | 0.21                 | 0.05                 |
| Total                                            | 0.21                 | 0.05                 |

The movement between net deferred tax assets/(liabilities) is as under :

|                                                  | As at<br>April 01, 2024 | Recognised in<br>Statement of Profit and<br>Loss | Recognised in<br>Statement of Other<br>Comprehensive Income | As at<br>March 31, 2025 |
|--------------------------------------------------|-------------------------|--------------------------------------------------|-------------------------------------------------------------|-------------------------|
| Deferred tax liability relates to the following: |                         |                                                  |                                                             |                         |
| Property, plant and equipment                    | 0.05                    | 0.16                                             | -                                                           | 0.21                    |
|                                                  | 0.05                    | 0.16                                             | -                                                           | 0.21                    |

|                                                  | As at<br>April 01, 2023 | Recognised in<br>Statement of Profit and<br>Loss | Recognised in<br>Statement of Other<br>Comprehensive Income | As at<br>March 31, 2024 |
|--------------------------------------------------|-------------------------|--------------------------------------------------|-------------------------------------------------------------|-------------------------|
| Deferred tax liability relates to the following: |                         |                                                  |                                                             |                         |
| Property, plant and equipment                    | -                       | 0.05                                             | -                                                           | 0.05                    |
|                                                  | -                       | 0.05                                             | -                                                           | 0.05                    |



**SEAD APPARELS PRIVATE LIMITED****Notes on Financial Statements for the year ended 31st March, 2025**

| 12 | Long term Borrowing     | As at March 31, 2025 | As at March 31, 2024 |
|----|-------------------------|----------------------|----------------------|
|    |                         |                      |                      |
|    | Loan from related party | 284.76               | 234.68               |
|    | <b>Total</b>            | <b>284.76</b>        | <b>234.68</b>        |

| 13 | Trade payables                                                                         | As at March 31, 2025 | As at March 31, 2024 |
|----|----------------------------------------------------------------------------------------|----------------------|----------------------|
|    |                                                                                        |                      |                      |
|    | Total outstanding dues of Micro and Small enterprises                                  | 0.06                 | 2.75                 |
|    | Total outstanding dues of creditors other than micro enterprises and small enterprises | 2.40                 | 7.44                 |
|    | <b>Total</b>                                                                           | <b>2.46</b>          | <b>10.19</b>         |

a) As per Schedule III of the Companies Act, 2013 and as certified by the management, the amount due to Micro & Small

**Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ["MSMED Act"]**

| Particulars                                                                    | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------------------------------------------------|----------------------|----------------------|
| (i) the principal amount and the interest due thereon remaining unpaid to      |                      |                      |
| - Principal outstanding for trade payable                                      | 0.06                 | 2.75                 |
| - Principal outstanding for capital creditors                                  |                      |                      |
| - Interest on above                                                            |                      |                      |
| (ii) the amount of interest paid by the buyer under MSMED Act, 2006 along      |                      |                      |
| (iii) the amount of interest due and payable for the period of delay in making |                      |                      |
| (iv) the amount of interest accrued and remaining unpaid at the end of         |                      |                      |
| (v) the amount of further interest remaining due and payable even in the       |                      |                      |

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the company regarding the status of registration of such vendors under the said Act and as per the intimation received from them on requests made by the company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date except disclosed above.

| 14 | Other Current Liabilities | As at March 31, 2025 | As at March 31, 2024 |
|----|---------------------------|----------------------|----------------------|
|    |                           |                      |                      |
|    | Statutory dues            | 0.52                 | 0.52                 |
|    | <b>Total</b>              | <b>0.52</b>          | <b>0.52</b>          |



# SEAD APPARELS PRIVATE LIMITED

## Notes on Financial Statements for the year ended 31st March, 2025

(Amount in Lakhs , unless otherwise stated)

| Note No                    | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|----------------------------|--------------------------------------|--------------------------------------|
| 15 Revenue from operations |                                      |                                      |
| Sale of product            | -                                    | 1.62                                 |
|                            | -                                    | 1.62                                 |

### a) Performance obligation

Revenue is recognised upon transfer of control of products.

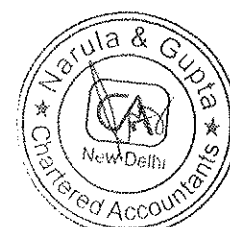
During the year, The Company has not entered into long term contracts with Customers and accordingly disclosure of unsatisfied or remaining performance obligation (which is affected by several factors like changes in scope of Contracts, periodic revaluations, adjustment for revenue that has not been materialized, tax laws etc.) is not applicable to the Company.

**b) Disaggregation of revenue:** The table below presents disaggregated revenues from contracts with customers on the basis of geographical spread of the operations of the Company. The Company believes that this disaggregation best depicts how the nature, amount of revenues and cash flows are affected by market and other economic factors:

| Revenue based on Geography | For the period ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|----------------------------|----------------------------------------|--------------------------------------|
| India                      | -                                      | 1.62                                 |
| Outside India              | -                                      | -                                    |
| Revenue from operations    | -                                      | 1.62                                 |

| Revenue based on Customer-wise | For the period ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|--------------------------------|----------------------------------------|--------------------------------------|
| Related Party                  | -                                      | -                                    |
| Non- Related Party             | -                                      | 1.62                                 |
| Revenue from operations        | -                                      | 1.62                                 |

| c) Reconciliation of revenue from operations with<br>contracted price | For the period ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-----------------------------------------------------------------------|----------------------------------------|--------------------------------------|
| Contracted Price                                                      | -                                      | 1.62                                 |
| Less:                                                                 |                                        |                                      |
| Sales Returns                                                         | -                                      | -                                    |
| Rebate and Discounts                                                  | -                                      | -                                    |
| Rebate and Discount                                                   | -                                      | -                                    |
|                                                                       | -                                      | 1.62                                 |

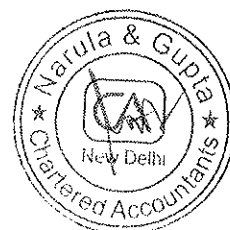


# SEAD APPARELS PRIVATE LIMITED

## Notes on Financial Statements for the year ended 31st March, 2025

(Amount in Lakhs , unless otherwise stated)

|                                                                                         | For the year ended<br>March 31, 2025         | For the year ended<br>March 31, 2024         |
|-----------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|
| <b>16 Cost Of Materials Consumed</b>                                                    |                                              |                                              |
| Raw Material                                                                            |                                              |                                              |
| Balance at the beginning of the Year                                                    | 0.76                                         | -                                            |
| Add:- Purchases during the year                                                         | 0.15                                         | 2.56                                         |
| Less:- Balance at the end of the Year                                                   | 0.26                                         | 0.76                                         |
| <b>Total</b>                                                                            | <b>0.65</b>                                  | <b>1.81</b>                                  |
| <b>17 Changes in inventories of finished goods, work in progress and stock in trade</b> | <b>For the year ended<br/>March 31, 2025</b> | <b>For the year ended<br/>March 31, 2024</b> |
| Inventories at the beginning of the year                                                |                                              |                                              |
| Work-in-progress                                                                        | 0.78                                         | -                                            |
| Inventories at the end of the year                                                      |                                              | 0.78                                         |
| Work-in-progress                                                                        | -                                            |                                              |
| Finished Goods                                                                          | 1.42                                         |                                              |
| (Increase) / decrease in inventory (A-B)                                                | (0.65)                                       | (0.78)                                       |
| <b>18 Employee benefits expense</b>                                                     | <b>For the year ended<br/>March 31, 2025</b> | <b>For the year ended<br/>March 31, 2024</b> |
| Salaries, wages & bonus                                                                 | 5.19                                         | 0.86                                         |
| Contribution To Provident And Other Funds                                               | -                                            | -                                            |
| <b>Total</b>                                                                            | <b>5.20</b>                                  | <b>0.86</b>                                  |
| <b>19 Finance costs</b>                                                                 | <b>For the year ended<br/>March 31, 2025</b> | <b>For the year ended<br/>March 31, 2024</b> |
| Interest expense                                                                        |                                              |                                              |
| On Loan from related party                                                              | 18.48                                        | 2.96                                         |
| <b>Total</b>                                                                            | <b>18.48</b>                                 | <b>2.96</b>                                  |
| <b>20 Depreciation and amortisation expense</b>                                         | <b>For the year ended<br/>March 31, 2025</b> | <b>For the year ended<br/>March 31, 2024</b> |
| Depreciation of PPE                                                                     | 2.36                                         | 0.57                                         |
| <b>Total</b>                                                                            | <b>2.36</b>                                  | <b>0.57</b>                                  |



# SEAD APPARELS PRIVATE LIMITED

## Notes on Financial Statements for the year ended 31st March, 2025

(Amount in Lakhs, unless otherwise stated)

|                                                                                                     | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-----------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>21 Other expenses</b>                                                                            |                                      |                                      |
| Manufacturing expense                                                                               | 0.05                                 | -                                    |
| Fabrication Charges                                                                                 |                                      | 1.37                                 |
| Processing Charges                                                                                  | -                                    | 0.87                                 |
| Consumables                                                                                         | -                                    | 0.60                                 |
| Plant & Machinery hiring Charges                                                                    | -                                    | 0.82                                 |
| Consumption of stores & spare parts                                                                 | -                                    | 0.03                                 |
| Rent                                                                                                | 0.89                                 | 4.48                                 |
| Payment to Auditor                                                                                  | 0.25                                 | 0.10                                 |
| Rates & Taxes                                                                                       | 0.70                                 | 0.27                                 |
| Travelling & conveyance                                                                             | 2.51                                 | 0.36                                 |
| Repairs And Maintenance - Other                                                                     | 2.43                                 | 0.01                                 |
| Legal & Professional Expenses                                                                       | 0.08                                 | 5.08                                 |
| Bank charges                                                                                        | 0.01                                 | 0.50                                 |
| Filling fees                                                                                        | 3.46                                 | 0.09                                 |
| SAP Expenses                                                                                        | 1.12                                 | -                                    |
| Miscellaneous expenses                                                                              | 0.07                                 | -                                    |
| <b>Total</b>                                                                                        | <b>11.55</b>                         | <b>14.58</b>                         |
| <b>21.1 Payment to Auditors</b>                                                                     |                                      |                                      |
|                                                                                                     | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
| Audit Fee                                                                                           | 0.25                                 | 0.10                                 |
| <b>Total</b>                                                                                        | <b>0.25</b>                          | <b>0.10</b>                          |
| <b>22 EARNING PER SHARE (EPS) :</b>                                                                 |                                      |                                      |
| Net Profit / (Loss) after tax as per Statement of Profit & Loss attributable to equity shareholders | (37.76)                              | (18.43)                              |
| Weighted average number of equity shares                                                            | 10,000                               | 10,000                               |
| Basic & Diluted Earning Per Share                                                                   | (377.59)                             | (184.27)                             |
| Face Value of Equity Share                                                                          | 10.00                                | 10.00                                |
| (The Company does not have potentially dilutive equity shares)                                      |                                      |                                      |



## SEAD APPARELS PRIVATE LIMITED

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

(Amount in Lakhs , unless otherwise stated)

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

-maintain an appropriate capital structure of debt and equity.

The Board of Directors have the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international markets so as to maintain investors, creditors and markets confidence and to sustain future development of

The Company monitors capital structure using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises of long term and short term borrowings less cash and cash equivalents. Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of reporting periods were as follows:

|                                            | As at March 31,<br>2025 | As at March 31,<br>2024 |
|--------------------------------------------|-------------------------|-------------------------|
| Borrowings                                 | 284.76                  | 234.68                  |
| Interest accrued but not due on borrowings | -                       | -                       |
| Less: Cash and Cash Equivalents            | 0.61                    | 9.14                    |
| <b>Net debt (A)</b>                        | <b>284.14</b>           | <b>225.54</b>           |
| Equity share capital                       | 1.00                    | 1.00                    |
| Other equity                               | (56.86)                 | (19.10)                 |
| <b>Total Capital (B)</b>                   | <b>(55.86)</b>          | <b>(18.10)</b>          |
| <b>Gearing ratio</b>                       | <b>(5.09)</b>           | <b>(12.46)</b>          |

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025

In order to achieve overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.



**SEAD APPARELS PRIVATE LIMITED**
**Notes to standalone financial statements for the year ended March 31, 2025**

(Amount in Lakhs , unless otherwise stated)

**Fair value measurements**
**I Financial instruments**
**a) Financial instruments by category**

All financial assets and liabilities viz. cash and cash equivalents, trade payables, employee related liabilities and borrowings, are measured at amortised cost.

**b) Fair value hierarchy**

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

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy:

**As at March 31, 2025**

| Particulars                                             | Carrying amount |       |                                   |                                        |                       | Fair value |         |         |       |
|---------------------------------------------------------|-----------------|-------|-----------------------------------|----------------------------------------|-----------------------|------------|---------|---------|-------|
|                                                         | FVOCI           | FVTPL | Financial Assets - amortised cost | Financial Liabilities - amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| <b>Financial assets not measured at fair value</b>      |                 |       |                                   |                                        |                       |            |         |         |       |
| Cash and cash equivalents                               |                 |       | 0.61                              |                                        | 0.61                  |            |         |         |       |
|                                                         | -               | -     | 0.61                              | -                                      | 0.61                  | -          | -       | -       | -     |
| <b>Financial liabilities not measured at fair value</b> |                 |       |                                   |                                        |                       |            |         |         |       |
| Borrowings                                              |                 |       |                                   | 284.76                                 | 284.76                |            |         |         |       |
| Trade payables                                          |                 |       |                                   | 2.46                                   | 2.46                  |            |         |         |       |
| Others                                                  |                 |       |                                   | 0.52                                   | 0.52                  |            |         |         |       |
|                                                         | -               | -     | -                                 | 287.73                                 | 287.73                | -          | -       | -       | -     |

**As at March 31, 2024**

| Particulars                                             | Carrying amount |       |                                   |                                        |                       | Fair value |         |         |       |
|---------------------------------------------------------|-----------------|-------|-----------------------------------|----------------------------------------|-----------------------|------------|---------|---------|-------|
|                                                         | FVOCI           | FVTPL | Financial Assets - amortised cost | Financial Liabilities - amortised cost | Total carrying amount | Level 1    | Level 2 | Level 3 | Total |
| <b>Financial assets not measured at fair value</b>      |                 |       |                                   |                                        |                       |            |         |         |       |
| Cash and cash equivalents                               |                 |       | 9.14                              |                                        | 9.14                  |            |         |         |       |
|                                                         | -               | -     | 9.14                              | -                                      | 9.14                  | -          | -       | -       | -     |
| <b>Financial liabilities not measured at fair value</b> |                 |       |                                   |                                        |                       |            |         |         |       |
| Borrowings                                              |                 |       |                                   | 234.68                                 | 234.68                |            |         |         |       |
| Trade payables                                          |                 |       |                                   | 10.19                                  | 10.19                 |            |         |         |       |
| Others                                                  |                 |       |                                   | 0.52                                   | 0.52                  |            |         |         |       |
|                                                         | -               | -     | -                                 | 245.39                                 | 245.39                | -          | -       | -       | -     |

**Fair value of financial assets and liabilities measured at amortised cost**

The carrying amounts of trade payables, cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature. For other financial liabilities/ assets that are measured at fair value, the carrying amounts are equal to the fair values.



**SEAD APPARELS PRIVATE LIMITED****Notes to standalone financial statements for the year ended March 31, 2025**

(Amount in Lakhs , unless otherwise stated)

**Financial risk management objectives and policies**

The Company's principal financial liabilities comprises of trade and other payables, borrowings, . The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets includes cash and cash equivalents, .

The Company has exposure to the following risks arising from financial instruments:

- credit risk,
- liquidity risk and
- market risk.

The Company's senior level management oversees the management of these risks and is supported by finance department that advises on the appropriate financial risk governance framework.

**A. Credit Risk**

Credit risk is the risk that counterparty will default on its contractual obligations resulting in finance loss to the Company. Credit risk arise from Cash and cash equivalents measure at amortised cost.

Other Financial Assets: The Company maintains exposure in cash & cash equivalents, . Credit risk from balances with banks is managed by the Company in accordance with the Company's policy. The Company's maximum exposure to the credit risk as at March 31, 2025 and March 31, 2024 is the carrying value of each class of financial assets.

**B. Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

| As at March 31, 2025 | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years     | Total         |
|----------------------|--------------------|----------------|--------------|---------------|---------------|
| Borrowings           | -                  | -              | -            | 284.76        | 284.76        |
| Trade payables       | 0.43               | 2.03           | -            | -             | 2.46          |
| <b>Total</b>         | <b>0.43</b>        | <b>2.03</b>    | <b>-</b>     | <b>284.76</b> | <b>287.22</b> |

| As at March 31, 2024 | Less than 3 months | 3 to 12 months | 1 to 5 years | > 5 years     | Total         |
|----------------------|--------------------|----------------|--------------|---------------|---------------|
| Borrowings           | -                  | -              | -            | 234.68        | 234.68        |
| Trade payables       | 0.43               | 9.76           | -            | -             | 10.19         |
| <b>Total</b>         | <b>0.43</b>        | <b>9.76</b>    | <b>-</b>     | <b>234.68</b> | <b>244.87</b> |

**C. Market risk**

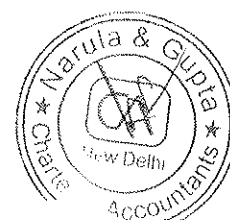
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The objective of market risk management is to manage and control market risk exposures withing acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up the policies and procedures to amange risks of the Company.

**i) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its net exposure to interest rate risk related to borrowings, by balancing a proportion of fixed rate and floating rate borrowing in its total borrowing portfolio.

Interest Rate Sensitivity: The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars    | Increase or decrease in basis points | Decrease / (increase) in profit before tax |
|----------------|--------------------------------------|--------------------------------------------|
| March 31, 2025 | +50                                  | 1.27                                       |
|                | -50                                  | (1.27)                                     |
| March 31, 2024 | +50                                  | 0.20                                       |
|                | -50                                  | (0.20)                                     |



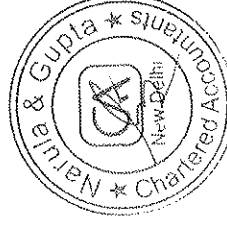
**SEAD APPARELS PRIVATE LIMITED**  
Notes on Financial Statements for the year ended 31st March, 2025

Trade payables ageing schedule as on March 31, 2025

| Particulars                 | Outstanding for following periods from due date of payment |         |                  |           |           |                   |
|-----------------------------|------------------------------------------------------------|---------|------------------|-----------|-----------|-------------------|
|                             | Unbilled                                                   | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME                    |                                                            |         | 0.06             | -         | -         | -                 |
| (ii) Others                 | 0.43                                                       |         | 1.97             |           |           | -                 |
| (iii) Disputed dues — MSME  |                                                            |         |                  | -         | -         | -                 |
| (iv) Disputed dues — Others |                                                            |         |                  | -         | -         | -                 |
|                             |                                                            |         |                  |           |           | 0.06              |
|                             |                                                            |         |                  |           |           | 2.40              |
|                             |                                                            |         |                  |           |           | -                 |
|                             |                                                            |         |                  |           |           | -                 |

Trade payables ageing schedule as on March 31, 2024

| Particulars                 | Outstanding for following periods from due date of payment |         |                  |           |           |                   |
|-----------------------------|------------------------------------------------------------|---------|------------------|-----------|-----------|-------------------|
|                             | Unbilled                                                   | Not due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME                    |                                                            |         | 2.75             | -         | -         | -                 |
| (ii) Others                 | 0.58                                                       |         | 6.86             | -         | -         | -                 |
| (iii) Disputed dues — MSME  |                                                            |         |                  | -         | -         | -                 |
| (iv) Disputed dues — Others |                                                            |         |                  | -         | -         | -                 |
|                             |                                                            |         |                  |           |           | 2.75              |
|                             |                                                            |         |                  |           |           | 7.44              |
|                             |                                                            |         |                  |           |           | -                 |
|                             |                                                            |         |                  |           |           | -                 |



The Operations of the company falls primarily under manufacturing of Apparel which is considered to be the only reportable segment by the management as evaluated by The Chief Operating Decision Maker as per Defined in IND As 108 - Operating Segment .  
Summary of Segment Information as at year end for the year ended March 31,2025 is as follows

| Particulars                              | Apparel Manufacturing | Total        |
|------------------------------------------|-----------------------|--------------|
| <b>1. Statement of Profit and Loss</b>   |                       |              |
| Segment revenue                          |                       |              |
| Total revenue                            | -                     | -            |
| Segment Expenses                         | 8.50                  | 8.50         |
| Segment Profit and Loss                  | (8.50)                | (8.50)       |
| Unallocated Expenses                     |                       | (10.62)      |
| Interest and Other Finance cost          |                       | (18.48)      |
| Tax Expense                              |                       | (0.16)       |
| PAT                                      |                       | (37.76)      |
| <b>2. Segment Assets and Liabilities</b> |                       |              |
| Segment Assets                           | 232.09                | 232.09       |
| Unallocated investment                   |                       | -            |
| Other Unallocated Assets                 |                       | -            |
| <b>Total Assets</b>                      |                       | 232.09       |
| <b>Equity and Liability</b>              |                       |              |
| Segment Liabilities                      | 287.96                | 287.96       |
| Unallocated Liabilities                  |                       | -            |
| Share Capital                            |                       | 1.00         |
| Reserve and Surplus                      |                       | (56.86)      |
| <b>Total Equity and liability</b>        |                       | 232.09       |
| <b>3. Other Information</b>              |                       |              |
| Capital Expenditure                      | 220.72                | 220.72       |
| Depreciation and Amortization            | 2.36                  | 2.36         |
| <b>4. Geographical Information</b>       | <b>Domestic</b>       | <b>Total</b> |
| Total Revenue                            | -                     | -            |
| Total Assets                             | 232.09                | 232.09       |
| Total Capital Expenditure                | 220.72                | 220.72       |

Summary of Segment Information as at year end for the year ended March 31,2024 is as follows

| Particulars                              | Apparel Manufacturing | Total        |
|------------------------------------------|-----------------------|--------------|
| <b>1. Statement of Profit and Loss</b>   |                       |              |
| Segment revenue                          |                       |              |
| Total revenue                            | 1.62                  | 1.62         |
| Segment Expenses                         | 10.63                 | 10.63        |
| Segment Profit and Loss                  | (9.01)                | (9.01)       |
| Unallocated Expenses                     |                       | (6.41)       |
| Interest and Other Finance cost          |                       | (2.96)       |
| Tax Expense                              |                       | (0.05)       |
| PAT                                      |                       | (18.43)      |
| <b>2. Segment Assets and Liabilities</b> |                       |              |
| Segment Assets                           | 227.34                | 227.34       |
| Unallocated investment                   |                       | -            |
| Other Unallocated Assets                 |                       | -            |
| <b>Total Assets</b>                      |                       | 227.34       |
| <b>Equity and Liability</b>              |                       |              |
| Segment Liabilities                      | 245.44                | 245.44       |
| Unallocated Liabilities                  |                       | -            |
| Share Capital                            |                       | 1.00         |
| Reserve and Surplus                      |                       | (19.10)      |
| <b>Total Equity and liability</b>        |                       | 227.34       |
| <b>3. Other Information</b>              |                       |              |
| Capital Expenditure                      | 12.19                 | 12.19        |
| Depreciation and Amortization            | 0.57                  | 0.57         |
| <b>4. Geographical Information</b>       | <b>Domestic</b>       | <b>Total</b> |
| Total Revenue                            | 1.62                  | 1.62         |
| Total Assets                             | 227.34                | 227.34       |
| Total Capital Expenditure                | 12.19                 | 12.19        |



**SEAD APPARELS PRIVATE LIMITED****Notes on Financial Statements for the year ended 31st March, 2025**

(Amount in Lakhs , unless otherwise stated)

**Note 27 : Related party transactions****a) List of related parties**

| Nature of Relationship                 | Name of the Related Party       |
|----------------------------------------|---------------------------------|
| Key Management Personnel (KMP)         | Deepak Seth                     |
|                                        | Pulkit Seth                     |
|                                        | Pallab Banarjee                 |
| Holding Company                        | Pearl Global Industries Limited |
| Education Trust (Significant Interest) | Little People Education Society |

| Particulars                     | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---------------------------------|--------------------------------------|--------------------------------------|
| Pearl Global Industries Limited |                                      |                                      |
| Rent                            | 0.24                                 | 4.48                                 |
| P&M hire charges                | -                                    | 0.82                                 |
| Interest on Loan                | 18.48                                | 2.96                                 |
| SAP Expenses                    | 1.12                                 | -                                    |
| Loan Received                   | 40.00                                | 232.00                               |
| Assets Purchase                 | -                                    | 2.25                                 |
| Total                           | 59.84                                | 242.51                               |

**Closing Balance**

| Particulars                            | As<br>March 31, 2025 | At<br>March 31, 2024 | As<br>March 31, 2024 | At<br>March 31, 2024 |
|----------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Pearl Global Industries Limited        |                      |                      |                      |                      |
| Loan from PGIL                         | 284.76               |                      | 234.67               |                      |
| PEARL GLOBAL INDUSTRIES LTD            | 0.30                 |                      | 0.95                 |                      |
| Little People Education Society        | 0.02                 |                      | -                    |                      |
| PEARL GLOBAL INDUSTRIES<br>ITD.(Woven) | -                    |                      | 2.52                 |                      |
| Total                                  | 285.08               |                      | 238.14               |                      |



## SEAD APPARELS PRIVATE LIMITED

Notes on Financial Statements for the year ended 1st March, 2025

(Amount in Lakhs, unless otherwise stated)

## Note No: 28 Financial Ratios

| Description                                | Numerator                                     | Denominator                         | March 31, 2025 | March 31, 2024 | % change | Reason for variance                                                             |
|--------------------------------------------|-----------------------------------------------|-------------------------------------|----------------|----------------|----------|---------------------------------------------------------------------------------|
| Current ratio (in times)                   | Current Assets                                | Current Liabilities                 | 2.96           | 1.40           | 111.16%  | Current ratio improved primarily due to a reduction in trade payables.          |
| Debt- Equity Ratio (in times)              | Total Debt                                    | Shareholder's Equity                | (5.10)         | (12.97)        | 60.70%   | Changes in Ratio is due to higher loss and increased loan from holding company. |
| Debt Service Coverage ratio (in times)     | Earnings available for debt service           | Debt Service                        | (0.91)         | (5.02)         | 81.93%   | Changes in Ratio is due to higher loss and increased loan from holding company. |
| Return on Equity ratio(in %)               | Net Profits after taxes – Preference Dividend | Average Shareholder's Equity        | 1.02           | 2.07           | -50.85%  | ROE declined due to higher losses, reducing returns to shareholders.            |
| Inventory Turnover ratio(in times)         | Cost of Goods Sold                            | Average Inventory                   | 0.40           | 2.35           | -82.79%  | Decrease due to no production activity during the year                          |
| Trade Receivable Turnover Ratio (in times) | Net Credit Sales                              | Average Trade Receivable:           | 0.00           | -              | 0.00%    | NA                                                                              |
| Trade Payable Turnover Ratio (in times)    | Net Credit Purchase                           | Average Trade Payables              | 2.38           | 4.48           | -46.90%  | Ratio declined due to a decrease in trade payables.                             |
| Net Capital Turnover Ratio (in times)      | Revenue                                       | Current Assets-Current Liabilities  | -              | 0.37           | -100.00% | Ratio reduced as no operations were conducted during the period.                |
| Net Profit ratio (in %)                    | Net Profit after tax.                         | Revenue                             | -              | (11.38)        | -100.00% | Ratio reduced as no operations were conducted during the period.                |
| Return on Capital Employed (in %)          | Earnings before interest and taxes            | Capital Employed=TNW+Total debt+DTL | (0.07)         | (0.07)         | 6.70%    | NA                                                                              |
| Return on Investment (in %)                | Earnings before interest and taxes            | Total Assets                        | (0.07)         | (0.07)         | 10.54%   | NA                                                                              |



## SEAD APPARELS PRIVATE LIMITED

### Notes on Financial Statements for the year ended 31st March, 2025

#### 29 Notes on Financial Statements for the year ended 31st March, 2025

##### 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, 2025**

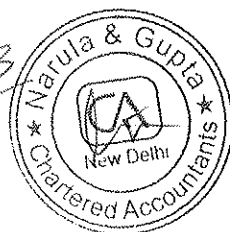
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- 23 Capital Management
- 24 Fair value measurements
- 25 Financial risk management objectives and policies
- 26 (Amount in Lakhs , unless otherwise stated)
- 27 Related Party Disclosure
- 28 Financial ratios
- 29 Other Notes
- 30 No Provision for Income Tax has been made in accordance with the Income Tax Act, 1961 in view of Losses
- 31 The figures of the previous year have been regrouped/ reclassified wherever necessary to make them comparable.

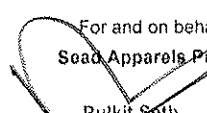
The accompanying notes are an integral part of these financial statements

For Narula & Gupta  
Chartered Accountants  
FR No. 013532N

  
CA Rajesh Narula  
Partner  
M. No. 001510



Place: New Delhi  
Date: May 9 , 2025  
UDIN: 25091510BMNRER8001

  
For and on behalf of Board  
Sead Apparels Private Limited

Pulkit Seth  
Director  
DIN 00003044

  
Pallab Banerjee  
Director  
DIN 07103740