

To
The Partners
Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)
80/2, Topsia Road (South)
Kolkata

Report on "Fit for Consolidation" Financial Statements of Sabyasachi Calcutta LLP as at and for the year ended March 31, 2023

Opinion

We have audited the accompanying Fit for Consolidation financial statements ("FFC"), of **Sabyasachi Calcutta LLP** ("the LLP") and its subsidiary (hereinafter referred to as the "Group") which comprise the Consolidated Balance Sheet as at March 31, 2023 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Cash Flow Statement and Consolidated Statement of Changes in Partner's Capital for the period from April 1, 2022 to March 31, 2023, and a summary of significant accounting policies and other explanatory notes as prepared by the Management of the LLP (hereinafter referred to as the "Management").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Fit for Consolidation financial statements ("FFC") give the information required by the Group in the manner so required in conformity with the accounting policies followed by the M/s Aditya Birla Fashion & Retail Limited ("ABFRL"), being the holding company of the LLP, and other accounting principles generally accepted in India, of the state of affairs of the LLP as at 31st March, 2023, its profit including other comprehensive income and its cash flows for the period from April 1, 2022 to March 31, 2023.

Basis for Opinion

We conducted our audit of the financial information in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India ("ICAI"). 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 LLP and its subsidiary in accordance with the 'Code of Ethics' issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements as per the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibility for the Fit for Consolidation financial statements

The Management of the LLP is responsible for the preparation of the Fit for Consolidation financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in Partner's Capital of the Group in conformity with the accounting policies of ABFRL, which are concluded by the Management to be in accordance with the recognition and measurement principles of the Indian Accounting Standards ("IND AS") and other accounting principles generally accepted in India, and Limited Liability Partnership Act, 2008 ("the Act"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal controls relevant to the preparation and presentation of the Fit for Consolidation financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Fit for Consolidation financial statements, the Designated Partners of the LLP are responsible for assessing the Group'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 LLP or its subsidiary or to cease operations, or has no realistic alternative but to do so.

The Designated Partners of the LLP are also responsible for overseeing the Group financial reporting process.



Auditor's Responsibilities for the Audit of the Fit for Consolidation financial statements

Our objectives are to obtain reasonable assurance about whether the Fit for Consolidation 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 Fit for Consolidation 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 group'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 Group 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 Fit for Consolidation financial statements represents 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, make 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 of the LLP, 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.



Other Matters

1. 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 LLP and its' subsidiary so far as it appears from our examination of those books.
- (c) The Fit for consolidation financial statements dealt with our FFC Audit Report are in agreement with the books of account.
- (d) In our opinion and to the best of our information and according to the explanations given to us:
 - i. The LLP and its' subsidiary does not have any pending litigations, which may have an impact on its financial position in its Fit for consolidation financial statements.
 - ii. The LLP and its' subsidiary did not have any long-term contracts for which there were any material foreseeable losses.

2. We did not audit the financial statements / financial information of one foreign subsidiary, whose financial statements / financial information reflect total assets and net assets of Rs. 10,187.19 lakhs and Rs. 2,467.53 lakhs respectively as at March 31, 2023, total revenue of Rs. 1,464.80 lakhs, total loss after tax of Rs. 1,309.14 lakhs and total comprehensive income of Rs. 1,254.20 lakhs for the year ended on that date and net cash inflows of Rs. 391.77 lakhs for the year ended March 31, 2023 as considered in the Fit for Consolidation financial statements. This financial statements / financial information is audited as per the local law of the respective country and have been converted by the management of the LLP in conformity with the group accounting policies of ABFRL (which are in accordance with the Indian Accounting Standard). We have audited the conversion adjustments made by the management. Our opinion on the statement in so far as relates to the amounts included in respect of this subsidiary is based solely on audited accounts as per the respective local laws which has been converted into Ind AS by the Holding Company's management and audited by us.

Our opinion on the FFC above is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor/ financial information as certified by the management.

Restriction on Use and Distribution

The FFC dealt with by this report, have been prepared only to enable ABFRL ('Parent') to prepare its consolidated financial statements, and not to report on the LLP as a separate entity or a group. This report is intended solely for the information and use of ABFRL and the statutory auditors of ABFRL for the aforementioned purpose. As a result, the FFC should be considered as special purpose financial statements of the Group and this report should not be treated as the statutory audit report under any Indian legislation. Accordingly, we do not accept or assume any liability or duty of care for any other purpose or to any third parties to whom this report is shown, or into whose hands it may come, save where expressly agreed by our prior consent in writing.



Place: Kolkata
Dated: May 11, 2023

For Singhi & Co.
Chartered Accountants
Firm Registration No.302049E

Ankit Dhelia

Ankit Dhelia
Partner

Membership No. 069178

UDIN: 23069178 BG4I6E7460

Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Consolidated Balance sheet as at 31st March 2023
(All amounts in Rs. In Lakhs, unless otherwise stated)

	Notes	As at 31-Mar-23	As at 31-Mar-22
ASSETS			
Non-current assets			
Property, plant and equipment	3	9,340.11	1,964.07
Capital work in progress	4	4,937.67	3,866.89
Right of use asset	5	13,208.58	10,166.34
Intangible assets	6	62,824.55	62,617.57
Intangible assets under development	7	99.36	63.55
Investment Property	8	192.15	192.15
Financial assets			
Security Deposits	9	720.59	646.99
Other financial assets	10	12.91	278.32
Deferred tax asset (net)	11	1,557.32	739.25
Non current tax assets	12	75.98	204.47
Other non current assets	13	1,246.59	569.50
Total non-current assets		94,215.81	81,309.10
Current Assets			
Inventory	14	25,412.77	14,784.25
Financial assets			
Investment	15	-	715.21
Loan	16	15.85	21.64
Security Deposits	9	355.58	117.94
Trade receivables	17	1,216.52	344.39
Cash and cash equivalents	18	829.83	749.55
Bank balances other than above	19	290.92	220.18
Other current financial Assets	10	95.65	20.68
Other current assets	13	3,265.36	1,667.69
Total current assets		31,482.48	18,641.53
Total assets		1,25,698.29	99,950.63
EQUITY AND LIABILITIES			
Equity			
Partners Capital Account	20	92,238.95	79,990.98
Other equity	21	(1,752.82)	(375.75)
Total equity		90,486.13	79,615.23
Non-current liabilities			
Financial liabilities			
Borrowings	22	5,219.22	1,421.38
Lease liability	23	12,900.40	8,375.83
Provisions	24	619.30	616.22
		18,738.92	10,413.43
Current liabilities			
Financial liabilities			
Borrowings	22	6,887.35	94.76
Lease liability	23	1,072.46	1,934.59
Trade payables	25		
Total outstanding dues of Micro enterprises and small enterprises		490.65	434.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,406.35	2,567.38
Other financial liabilities	26	1,010.95	862.65
Provisions	24	149.13	304.71
Other current liabilities	27	3,415.86	3,494.51
Liability for current tax (net)	28	40.49	228.78
Total current liabilities		16,473.24	9,921.97
Total liabilities		35,212.16	20,335.40
		1,25,698.29	99,950.63

Basis of preparation & Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Singhi & Co.
Chartered Accountant
Firm Reg. No. 302049E

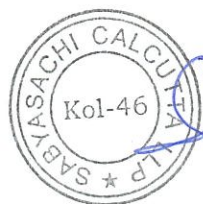
(Ankit Dhelia)
Partner
Membership no.: 069178



Place: Kolkata
Date: 11th May 2023

For Sabyasachi Calcutta LLP

(Mr. Sabyasachi Mukherjee)
Designated Partner
DPIN : 00625189



(Mr. Sunny Kumar Jain)
Designated Partner
DPIN : 07168511

(Mr. Shikaditya Ghosh)
Chief Financial Officer

Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)

LLPIN - AAV-7132

Consolidated Statement of Profit and Loss for the period 1 April 2022 to 31 March 2023

(All amounts in Rs. In Lakhs, unless otherwise stated)

Particulars	Notes	For the Period 1 Apr 22 to 31 March, 23	For the Period 1 Apr 21 to 31 Mar, 22
Income			
Revenue from operations	29	34,385.75	22,942.34
Other income	30	621.67	412.66
Total income	(A)	35,007.42	23,355.00
Expenses			
Purchase of Finished Goods		4,959.75	2,887.45
Cost of raw materials consumed	31	9,227.72	4,051.13
Changes in inventory of finished goods and work in progress	32	(7,971.49)	(2,203.42)
Employee benefits expense	33	8,427.98	5,771.59
Depreciation and amortisation expense	34	3,285.74	2,295.24
Other expenses	35	13,960.41	5,855.95
Finance costs	36	1,740.12	230.17
Total expenses	(B)	33,630.23	18,888.11
Profit/(loss) before exceptional items	C = (A-B)	1,377.19	4,466.89
Exceptional Items		-	-
Profit/(loss) after exceptional items	(D)	1,377.19	4,466.89
Tax expense	37		
Current tax (including earlier years)		1,407.00	2,018.17
Deferred tax		(825.80)	(322.85)
Tax expense	(E)	581.20	1,695.32
Profit / (Loss) after tax	F = (D-E)	795.99	2,771.57
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re measurement of Defined Benefit Obligations		30.71	(101.91)
Income tax relating to above		(10.73)	35.61
Items that will be reclassified to profit or loss			
Cash Flow Hedge Reserve		75.34	-
Foreign Currency Translation Reserve		5.21	10.23
Income tax relating to above		(25.62)	-
Other comprehensive income for the period, net of tax	(G)	74.91	(56.07)
Total comprehensive income for the period	H = (F+G)	870.90	2,715.50

Basis of preparation & Significant Accounting Policies

2

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

As per our report of even date

For Singhi & Co.

Chartered Accountant

Firm Reg. No. 302049E

Ankit Dhelia

(Ankit Dhelia)

Partner

Membership no.: 069178

Place: Kolkata

Date: 11th May 2023



For Sabyasachi Calcutta LLP

(Mr. Sabyasachi Mukherjee)

Designated Partner

DPIN : 00625189



(Mr. Sunny Kumar Jain)

Designated Partner

DPIN : 07168511

(Mr. Shibapriya Ghosh)

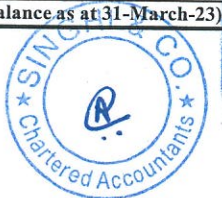
Chief Financial Officer

Particulars	For the Period 1 April 22 to 31 March, 23	For the Period 1st April 21 to 31 March 22
Net profit before tax as per statement of profit and loss	1,377.19	4,466.89
Adjustments for:		
Depreciation and amortisation expense	3,285.74	2,295.24
Net (gain)/loss on fair value changes of investments measured at FVTPL	-	(7.03)
Profit on sale of Mutual Fund	(2.03)	(128.52)
Profit on sale of property, plant and equipment (net)	(0.76)	(0.37)
Interest income	(14.73)	(63.24)
Unwinding of interest on security deposit	(61.82)	(27.46)
Reversal of Lease liabilities/Rent Concession	(5.28)	(232.83)
Provision/(Allowances) for doubtful debts	-	(2.29)
Sundry balance written off	4.51	7.00
Bad Debt written off	-	0.17
Finance costs	1,740.12	230.18
Liabilities / provision written back	(87.91)	(19.38)
(Gain)/Loss on Termination of ROU	(72.80)	(0.19)
Unrealised Foreign Exchange Gain/(Loss)	(8.59)	
Operating profit before working capital changes	6,153.64	6,518.17
Adjustments for:		
(Increase)/decrease in inventories	(10,628.53)	(5,810.96)
(Increase)/decrease in trade receivables	(860.78)	467.21
(Increase)/decrease in other financial assets	242.02	(475.27)
(Increase)/decrease in other assets	(1,668.71)	(828.74)
Increase/(decrease) in trade payables	892.48	982.47
Increase/(decrease) in other financial liabilities	191.16	(30.78)
Increase/(decrease) in provisions	(183.21)	(100.46)
Increase/(decrease) in other liabilities	9.26	664.20
Cash generated from operations	(5,852.67)	1,385.84
Direct taxes paid	(1,498.65)	(1,733.20)
A. Net cash from operating activities	(7,351.32)	(347.36)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of PPE and other intangible assets (including changes in capital work-in-progress, capital advances/ creditors)	(10,703.16)	(4,586.07)
Sale of property, plant and equipment	1.00	2.04
Purchase of investments	-	(9,532.10)
Proceed from sale of investments	717.24	13,355.07
Receipt/(Investment) from fixed deposits with a maturity more than 90 days	194.67	1,048.08
Payment towards acquisition of ROU Assets	(295.10)	(310.30)
Interest received	15.28	66.37
B. Net cash (used in) investing activities	(10,070.07)	43.09
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Capital Introduction	10,000.00	-
Proceeds from non-current borrowings	4,978.07	1,516.14
Proceeds from / (Repayment of) current borrowings (net)	5,844.92	-
Repayment of non-current borrowings	(218.38)	(354.50)
Payment of lease liabilities	(2,393.38)	(1,094.99)
Interest and other finance charges paid	(709.56)	(45.90)
C. Net cash (used in) financing activities	17,501.67	20.75
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	80.28	(283.52)
Add: Cash and cash equivalents (opening balance as at 01-April-22)	749.55	1,033.07
Cash and cash equivalents (closing balance as at 31-March-23)	829.83	749.55

Notes:

- The above cash flow statement has been prepared under 'Indirect Method' as set out in Ind AS - 7, "Statement of Cash Flows".
- Cash and cash equivalents (Refer Note - 18) included in the cash flow statement comprise the following balance sheet amounts:

Particulars	Amount	Amount
Cash on hand	14.21	39.43
Prepaid Balance in Debit Card	2.19	2.73
Balances with banks		
- in current accounts	808.48	707.39
Cheques in Hand	4.95	-
Cash and cash equivalents (Closing balance as at 31-March-23)	829.83	749.55



3 Statement of reconciliation of financing activities :

Particulars	Amount	Amount
Opening Balance as at 1st April, 2022	1,516.14	357.08
Cash flow (net)	10,604.61	1,161.64
Non-cash changes		
- Fair value changes	(14.18)	-
Interest expense	554.05	41.07
Interest paid	(543.90)	(43.65)
Closing Balance as at 31st March, 2023	12,116.72	1,516.14

Balances include Non-Current & Current Borrowings, Current Maturities and interest accrued on borrowings

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

As per our report of even date

For Singha & Co.

Chartered Accountant

Firm Reg. No. 302049E

Ankit Dhelia

(Ankit Dhelia)

Partner

Membership no.: 069178

Place: Kolkata

Date: 11th May 2023



For Sabyasachi Calcutta LLP

[Signature]

(Mr. Sabyasachi Mukherjee)

Designated Partner

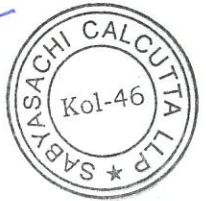
DPIN : 00625189

[Signature]

(Mr. Sunny Kumar Jain)

Designated Partner

DPIN : 07168511



[Signature]

(Mr. Shibajit Ghosh)

Chief Financial Officer

Note 3: Property, plant and equipment

Particulars	Plant and Equipment	Leasehold Improvements	Computers	Furniture and Fixtures	Office Equipment	Vehicles	Total Consolidated
Deemed Cost							
As at March 31, 2021	465.94	80.58	99.75	1,183.85	195.56	71.24	2,096.92
Additions *	420.42	-	85.64	72.76	63.21	-	642.03
Disposals	1.67	-	-	-	-	-	1.67
As at March 31, 2022	884.69	80.58	185.39	1,256.61	258.77	71.24	2,737.28
Additions *	740.00	4,581.93	362.78	2,297.32	104.40	355.55	8,441.98
Disposals	-	-	-	-	-	13.23	13.23
As at March 31, 2023	1,624.69	4,662.51	548.17	3,553.93	363.17	413.56	11,166.03
Depreciation							
As at March 31, 2021	4.82	2.65	5.21	48.28	6.62	3.00	70.58
Charge for the period	46.27	25.15	45.51	447.44	110.87	27.39	702.63
Disposals	-	-	-	-	-	-	-
As at March 31, 2022	51.09	27.80	50.72	495.72	117.49	30.39	773.21
Charge for the period	79.59	334.65	88.53	477.59	57.88	27.47	1,065.71
Disposals	-	-	-	-	-	13.00	13.00
As at March 31, 2023	130.68	362.45	139.25	973.31	175.37	44.86	1,825.92
Net Block							
As at March 31, 2022	833.60	52.78	134.67	760.89	141.28	40.85	1,964.07
As at March 31, 2023	1,494.01	4,300.06	408.92	2,580.62	187.80	368.70	9,340.11

* includes impact of foreign exchange difference related to foreign subsidiary

Note 3.1 : The LLP, based on technical evaluation, has reassessed the useful life of certain category of Property, Plant & Equipment (Furniture & Fittings, Plant & Equipment and Electrical Installations) lying at Stores (EBO's) prospectively w.e.f October 1, 2022. Impact on the Statement of Profit & Loss is that depreciation on PPE for the year ended March 31, 2023 is lower by Rs. 54.23 lakhs.

Note 3.2 : The new Mumbai store (EBO) has commenced commercial operations w.e.f April 18, 2023 and accordingly the existing store at Mumbai is expected to be closed within April 2023. The management of the LLP based on the policy followed by the Parent ('ABFRL'), has provided accelerated depreciation on the written down value of PPE lying at existing store as at December, 31, 2022 over the balance period till store closure (4 months from Jan to April, 2023). In view of the above, additional depreciation on PPE amounting to Rs. 211.41 lakhs has been charged to the Statement of Profit & Loss for the quarter ended March 31, 2023



Note 4: Capital Work in Progress

Particulars	Plant and Equipment	Leasehold Improvements	Computer	Furniture and Fixtures	Office Equipment	New York Store	Total Consolidated
Deemed Cost							
As at March 31, 2021	-	-	-	-	-	152.17	152.17
Additions	41.08	26.85	64.26	-	-	3,582.53	3,714.72
Less: Capitalised during the year	-	-	-	-	-	-	-
As at March 31, 2022	41.08	26.85	64.26	-	-	3,734.70	3,866.89
Additions	521.31	668.71	21.02	4,026.80	55.89	3,313.83	8,607.56
Less: Capitalised during the year	32.05	23.73	64.26	365.74	2.47	7,048.53	7,536.78
As at March 31, 2023	530.34	671.83	21.02	3,661.06	53.42	-	4,937.67

Note 4.1 Capital work in progress (CWIP) ageing Schedule

CWIP	Amount in CWIP for a period of				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	4,910.82	26.85	-	-	4,937.67
Projects temporarily suspended	-	-	-	-	-
Total	4,910.82	26.85	-	-	4,937.67

CWIP	Amount in CWIP for a period of				As at March 31, 2022
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	3,714.71	38.60	113.58	-	3,866.89
Projects temporarily suspended	-	-	-	-	-
Total	3,714.71	38.60	113.58	-	3,866.89

Note 4.2 : There are no projects as on each reporting period where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue except in case of the new Mumbai store where the estimated project cost has exceeded its budget by 7-8%



Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to the consolidated financial statements as at 31 March 2023
(All amounts in Rs. In Lakhs, unless otherwise stated)

Note 6: Other Intangible Assets

Particulars	Patents/ Trademark	Brand	Computer Software	Total
Deemed Cost				
As at March 31, 2021	107.99	62,365.87	21.40	62,495.26
Additions	65.19	-	97.45	162.64
Disposals	-	-	-	-
As at March 31, 2022	173.18	62,365.87	118.85	62,657.90
Additions	89.28	-	197.27	286.55
Disposals	-	-	-	-
As at March 31, 2023	262.46	62,365.87	316.12	62,944.45
Amortisation				
As at March 31, 2021	1.36	-	1.31	2.67
Charge for the period	16.06	-	21.60	37.66
On Disposals	-	-	-	-
As at March 31, 2022	17.42	-	22.91	40.33
Charge for the period	24.05	-	55.52	79.57
On Disposals	-	-	-	-
As at March 31, 2023	41.47	-	78.43	119.90
Net Block				
As at March 31, 2022	155.76	62,365.87	95.94	62,617.57
As at March 31, 2023	220.99	62,365.87	237.69	62,824.55

Note 6.1 : In view of the acquisition of 51% stake in Sabyasachi Calcutta LLP by M/s Aditya Birla Fashion & Retail Ltd effective February 24, 2021 and reconstitution of the Limited Liability Partnership, the LLP based on an independent valuation expert report had recognised Brand ("Sabyasachi") with indefinite useful life amounting to Rs. 62,366 lakhs.

"Sabyasachi" is India's largest and most influential luxury designer brands with strong Indian roots and global appeal. The Brand straddles categories such as apparel, accessories and jewellery and has a strong franchisee network in India, US, UK, and the Middle East.

Disclosures with respect to Value in use calculation of Brand "Sabyasachi"

The recoverable amount of the Brand as at March 31, 2023, has been determined based on value in use using cash flow projections from financial budgets approved by senior management covering a three years period ended March 31, 2026 and financial year 2027 and 2028 has been extrapolated to demonstrate the tapering of growth rate for computation of perpetual cash flows and then have considered that as a base to arrive at the value of perpetuity beyond March 31, 2028 using the terminal growth rate of 5.00%. The pre-tax discount rate is applied to cash flow projections for impairment testing during the current year. It is concluded that the carrying value of Brand does not exceed the value in use. As a result of this analysis, the management did not identify impairment for the Brand.

Key assumptions used for value in use calculations

March 31, 2023	Terminal Growth Rate	Discount Rate
Brand- Sabyasachi	5%	13.50%

Discount rates:

Discount rates represent the current market assessment of the risks, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-

Growth rate estimates:

The growth rate considers the LLP's plan to launch new stores/ expected same store growth, digital e-commerce and change in merchandise.



Note 7: Intangible Assets Under Development

Particulars	Website	Computer Software (ERP)	Total
Deemed Cost			
As at March 31, 2021	-	-	-
Additions	35.60	27.95	63.55
Disposals	-	-	-
As at March 31, 2022	35.60	27.95	63.55
Additions	63.76	17.25	81.01
Disposals/transfer to Capital Assets	-	45.20	45.20
As at March 31, 2023	99.36	-	99.36

Note 7.1: Intangible assets under development ageing schedule

Intangible assets under development	Amount in Intangible assets under development for a period of				As at March 31, 2023
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	63.76	35.60	-	-	99.36
Projects temporarily suspended	-	-	-	-	-
Total	63.76	35.60	-	-	99.36

Intangible assets under development	Amount in Intangible assets under development for a period of				As at March 31, 2022
	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
Projects in progress	63.55	-	-	-	63.55
Projects temporarily suspended	-	-	-	-	-
Total	63.55	-	-	-	63.55

Note 7.2 : There are no projects as on each reporting period where activity had been suspended. Also there are no projects as on the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.



Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)

LLPIN - AAV-7132

Notes to the consolidated financial statements as at 31 March 2023

(All amounts in Rs. In Lakhs, unless otherwise stated)

Note 5: Right to Use Assets

Particulars	Leasehold Land	Buildings	Total Consolidated
Cost			
As at 31st March, 2021	26.77	4,054.87	4,081.64
Additions*	-	7,773.04	7,773.04
Disposals	-	9.24	9.24
As at March 31, 2022	26.77	11,818.67	11,845.44
Additions*	-	7,204.94	7,204.94
Disposals	-	2,022.25	2,022.25
As at March 31, 2023	26.77	17,001.36	17,028.13
Depreciation			
As at March 31, 2021	0.03	124.13	124.16
Charge for the period	0.31	1,554.63	1,554.94
Disposals	-	-	-
As at March 31, 2022	0.34	1,678.76	1,679.10
Charge for the period	0.31	2,140.14	2,140.45
Disposals	-	-	-
As at March 31, 2023	0.65	3,818.90	3,819.55
Net Right of Use Assets			
As at March 31, 2022	26.43	10,139.91	10,166.34
As at March 31, 2023	26.12	13,182.46	13,208.58

* includes impact of foreign exchange difference related to foreign subsidiary

Note 5 (a): Movement in Lease Liabilities		
Particulars	As at March-23	As at March-22
Opening Balance	10,310.42	4,052.93
Additions/(Deletion)*	4,875.02	7,454.14
Finance Cost accrued during the period	1,186.08	131.17
Rent Concession	(5.28)	(232.83)
Payment of Lease Liabilities	(2,393.38)	(1,094.99)
Closing Balance	13,972.86	10,310.42
Current	1,072.46	1,934.59
Non-Current	12,900.40	8,375.83
Total	13,972.86	10,310.42

* includes impact of foreign exchange difference related to foreign subsidiary

Note 5.1 : For maturity analysis of lease liabilities, refer Note - 38(a)(ii)

Note 5.2 : As per the group accounting policy, lower of actual lease period or 6 years was considered for lease accounting under IND AS 116 for Stores (EBO's). The management has reassessed the same and considered a period of 9 years instead of 6 years for Lease accounting for Stores (EBO's) prospectively w.e.f October 1, 2022. Impact of the above in Statement of profit & loss for the year ended March 31, 2023 is given below:

Particulars	Impact in Statement of Profit & Loss
Gain / (Loss) on Lease Modification	(118.45)
Depreciation on Right of Use Assets	181.78
Depreciation on Leasehold improvements	479.23
Interest on Lease Liabilities	(434.64)
Total Impact	107.92



Note 8 : Investment Property

Freehold Land & Structure

	31 Mar 2023	31 Mar 2022
	192.15	192.15
	<u>192.15</u>	<u>192.15</u>

8.1 Fair value of investment property

903.52

823.44

The above fair value has been arrived from the valuation report receiving from the registered valuer and the valuation has been done by cost approach which includes Comparable Sales Method for Land Component and Depreciated Replacement Cost Method for the Structures.

8.2 Estimation of fair value: The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the LLP considers information from a variety of sources including current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

8.3 : Title deeds of Immovable Property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value as on March 31, 2023	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date
Investment property	Freehold Land & Structure	192.15	Sabyasachi Couture	No	M/s. Sabyasachi Couture is converted in the name M/s. Sabyasachi Calcutta LLP.

Note 9: Security deposits
(Considered good -Unsecured)

	31 Mar 2023	
	Current	Non- Current
Security deposits	355.58	720.59
	<u>355.58</u>	<u>720.59</u>

	31 Mar 2022	
	Current	Non- Current
	117.94	646.99
	<u>117.94</u>	<u>646.99</u>

Note 10: Other financial assets

(Considered good -Unsecured)

	31 Mar 2023	
	Current	Non- Current
Accrued interest receivable	0.55	-
Fixed deposits having maturity more than 12 months (Refer Note 19.2)	-	12.91
Accrued Income	17.98	-
MTM Gain Receivable on Hedging Instruments	77.12	-
	<u>95.65</u>	<u>12.91</u>

	31 Mar 2022	
	Current	Non- Current
	1.09	-
	-	278.32
	19.59	-
	-	-
	<u>20.68</u>	<u>278.32</u>

10.1 : Fixed Deposits amounting to Rs. 12.91 lakhs as on March 31, 2023 (Previous year :Rs. 17.76 lakhs) are held as margin money under lien to banks for Custom/Sales Tax.

Note 11: Deferred tax assets (net)

	31 Mar 2023	31 Mar 2022
Deferred Tax Assets		
Property, Plant & Equipment & Intangible Assets	135.21	178.49
Provision for Doubtful Debts	-	-
Provision for Employee Benefits	232.60	238.47
ROU & Lease Liabilities	274.27	59.32
Brought forward losses and unabsorbed depreciation	769.81	156.38
Others	178.84	109.05
	<u>1,590.73</u>	<u>741.71</u>
Deferred Tax Liabilities		
Fair Valuation of Financial Instruments	33.41	2.46
Deferred Tax Assets (Net)	<u>1,557.32</u>	<u>739.25</u>

11 (a).1 Reflected in the Balance Sheet as follows:

	31 Mar 2023	31 Mar 2022
Deferred tax assets	1,590.73	741.71
Deferred tax liabilities	33.41	2.46
Deferred tax assets/ (liabilities) (net)	<u>1,557.32</u>	<u>739.25</u>

11 (a).2 Movement in deferred tax assets and liabilities during the year ended March 31, 2023

	As at 31 March, 2021	Statement of Profit & Loss	Other Comprehensive Income	As at 31 March, 2022	Statement of Profit & Loss	Other Comprehensive Income	Foreign Exchange Difference	As at 31 March, 2023
Deferred Tax Assets								
Property, Plant & Equipment & Intangible Assets	79.24	99.25	-	178.49	(43.28)	-	-	135.21
Provision for Doubtful Debts	17.00	(17.00)	-	-	-	-	-	-
Provision for Employee Benefits	142.91	59.94	35.61	238.46	4.87	(10.73)	-	232.60
ROU & Lease Liabilities	41.45	17.87	-	59.32	212.77	-	2.18	274.27
Brought forward losses and unabsorbed depreciation	-	156.38	-	156.38	586.99	-	26.44	769.81
Others	96.58	12.47	-	109.05	69.79	-	-	178.84
	<u>377.18</u>	<u>328.91</u>	<u>35.61</u>	<u>741.70</u>	<u>831.14</u>	<u>(10.73)</u>	<u>28.62</u>	<u>1,590.73</u>
Deferred Tax Liabilities								
Fair Valuation of Financial Instruments	0.95	1.50	-	2.45	5.34	25.62	-	33.41
Deferred Tax Assets (Net)	<u>376.23</u>	<u>327.41</u>	<u>35.61</u>	<u>739.25</u>	<u>825.80</u>	<u>(36.35)</u>	<u>28.62</u>	<u>1,557.32</u>

11(a).3 Deferred Tax Assets includes deferred tax assets created on brought forward loss related to foreign subsidiary

* includes impact of foreign exchange difference related to foreign subsidiary adjusted in Foreign Currency Translation Reserve

11(a).4 The US subsidiary, M/s Sabyasachi Inc. has recognized Deferred Tax assets(net) amounting to Rs. 814.10 lakhs (P.Y Rs. 166.04 lakhs) as at 31st March 2023. Based on future profitability projections, the management is reasonably certain that there would be sufficient taxable income in future to claim the above tax credit.



Note 12: Non Current tax assets(net)
(Unsecured considered good)
Advance Tax & TDS (Net of Provision)

31 Mar 2023
75.98
<u>75.98</u>

31 Mar 2022
204.47
<u>204.47</u>

Note 13: Other assets
(Considered good - Unsecured)

	31 Mar 2023	
	Current	Non- Current
Capital Advance	-	1,172.37
Advance to Suppliers of Goods & Services	1,385.62	-
Balance with Government Authorities	1,744.57	-
GST Refundable	28.59	-
Export Incentives (MEIS)	11.85	-
Prepaid expenses	94.73	74.22
Total other current assets	<u>3,265.36</u>	<u>1,246.59</u>

	31 Mar 2022	
	Current	Non- Current
	-	561.78
	1,316.82	-
	288.16	-
	7.87	-
	6.90	-
	47.94	7.72
	<u>1,667.69</u>	<u>569.50</u>

Note 14: Inventory
(Valued at lower of cost or market value)

	31 Mar 2023
Raw materials	2,806.11
Work in progress (Lying with job worker Rs. 159.73 Lakhs)	3,332.44
Finished goods (Refer Note below) (Lying with third party Rs. 446.74 Lakhs and in transit stock Rs. 3.38 lakhs)	3,665.24
Jewellery (Includes lying with third party Rs.1,311.24 Lakhs and in transit stock Rs. 111.17 lakhs)	10,634.99
Stores & Printing Materials	4,466.23
Packing Materials	507.76
	<u>25,412.77</u>

31 Mar 2022
1,627.74
2,283.58
1,584.00
5,853.64
3,184.96
250.33
<u>14,784.25</u>

14.1: The LLP based on provision matrix creates suitable provision for slow and non-moving finished goods considering the nature of fast changing business of fashion industry in which it operates. Accordingly, additional provision (net) of Rs. 116.92 lakhs (Rs. 216.85 lakhs for March 31, 2022) has been recognised as an expense for slow and non-moving finished goods.

Note 15 : Investments

Investment in Mutual Funds

Measured at Fair value through Profit & Loss (FVTPL)

Aditya Birla Sunlife Money Market Fund
(CY: Nil units (PY: 1,37,771 units), Face value of each unit is Rs. 10/-)
Kotak Equity Arbitrage Fund Growth Regular Plan
(CY: Nil units (PY: 10,16,333 units), Face value of each unit is Rs. 10/-)

	31 Mar 2023	
	Current	Non- Current
	-	-
	-	-
	<u>-</u>	<u>-</u>

	31 Mar 2022	
	Current	Non- Current
	408.19	-
	307.02	-
	<u>715.21</u>	<u>-</u>
	715.21	-
	-	-

Aggregate NAV of investments in Mutual Funds
Aggregate amount of impairment in value of investments

Note 16: Loan
Unsecured, considered good
Loans & Advances to employees

	31 Mar 2023	
	Current	Non- Current
	15.85	-
	<u>15.85</u>	<u>-</u>

	31 Mar 2022	
	Current	Non- Current
	21.64	-
	<u>21.64</u>	<u>-</u>



Note 17: Trade receivables

	31 Mar 2023	31 Mar 2022
Trade Receivables		
Unsecured, Considered Good	1,216.52	344.39
Trade receivables which have significant increase in credit risk	-	-
Credit Impaired	-	-
	<u>1,216.52</u>	<u>344.39</u>
Less : Allowance for doubtful debts		
Impairment Allowance	-	-
Credit Impaired	-	-
Total receivables	<u>1,216.52</u>	<u>344.39</u>
Non-current portion	-	-
Current portion	<u>1,216.52</u>	<u>344.39</u>
	<u>1,216.52</u>	<u>344.39</u>

17.1 : No trade or other receivables is due from KMP / Partners of the LLP either severally or jointly with any other person except as disclosed in related party Note - 40.

17.2 : Trade receivables are generally non-interest bearing and on terms of 30 to 90 days.

Customer credit risk is managed by the LLP subject to established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers dues are generally from Agents / Multi Brand Outlets and Export debtors. Thus, based on past trends, the company does not foresee any losses in expected credit loss (ECL). However, based on customer related specific information, provision for loss allowance is created on case to case basis. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivable as disclosed above.

17.3 : Movement in the expected credit loss allowance

	31 Mar 2023	31 Mar 2022
Opening provision	-	48.63
Add: Provision made during the period	-	-
Less: Provision utilised / reversed during the period	-	(48.63)
Closing provision	<u>-</u>	<u>-</u>

17.4 : Trade receivables Ageing Schedule

Particulars	Outstanding from due date of payment as on March 31, 2023							Total
	Unbilled	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed	-	-	-	-	-	-	-	-
Considered good	-	-	1,173.44	43.04	0.04	-	-	1,216.52
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-	-
Total	-	-	1,173.44	43.04	0.04	-	-	1,216.52

Particulars	Outstanding from due date of payment as on March 31, 2022							Total
	Unbilled	Not Due	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed	-	-	-	-	-	-	-	-
Considered good	-	-	333.07	2.31	1.94	7.07	-	344.39
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Disputed	-	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-	-
Less: Loss allowance	-	-	-	-	-	-	-	-
Total	-	-	333.07	2.31	1.94	7.07	-	344.39

Note 18: Cash and cash equivalents

	31 Mar 2023	31 Mar 2022
Cash on hand	14.21	39.43
Prepaid Balance in Debit Card	2.19	2.73
Balance with Banks:		
- In Current Accounts	808.48	707.39
Cheques in Hand	4.95	-
	<u>829.83</u>	<u>749.55</u>

Note 19 : Other Bank Balances

	31 Mar 2023	31 Mar 2022
Fixed deposits with Banks	290.92	220.18
(having maturity between 3 - 12 months)	<u>290.92</u>	<u>220.18</u>

19.1 : Fixed Deposits amounting to Rs. 12.77 lakhs as on March 31, 2023 (Previous year :Rs. 5.48 lakhs) are held as margin money under lien to banks for Custom/Sales Tax.

19.2 : Fixed Deposits with ICICI Bank amounting to Rs. 278.15 lakhs (Previous year : Rs. 260.55 lakhs) are held as margin money under lien against guarantees towards Standby Letter of Credit facility of US Dollars 300,000 availed by subsidiary, M/s Sabyasachi Inc.



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Notes to the consolidated financial statements as at 31 March 2023
(All amounts in Rs. In Lakhs, unless otherwise stated)

Note:20

Partners Capital Account

	Sri Sabyasachi Mukherjee	Aditya Birla Fashion and Retail Ltd.	Mr. Jagdish Bajaj	Ms. Sunita Bangard	Mr. Sunny Jain	Total
Closing Balance as at 31 March 2021	38,037.92	39,089.60	0.11	0.11	0.11	77,127.85
Add: Share of Profit/ (Loss) for the year	1,327.89	1,535.24	-	-	-	2,863.13
Closing Balance as at 31 March 2022	39,365.81	40,624.84	0.11	0.11	0.11	79,990.98
Add: Share of Profit/ (Loss) for the year	1,101.51	1,146.46	-	-	-	2,247.97
Add: Capital Introduction	4,900.00	5,100.00	-	-	-	10,000.00
Closing Balance as at 31 Mar 2023	45,367.32	46,871.30	0.11	0.11	0.11	92,238.95

Note 20.1 : In terms of amended and Restated Limited Liability Partnership agreement, Mr. Sabyasachi Mukherjee and M/s. Aditya Birla Fashion & Retail Ltd, partners of the LLP have infused capital amounting to Rs. 6,000 lakhs and Rs. 4,000 lakhs on 22.11.2022 and 27.02.2023 respectively in their profit sharing ratio.

Note:21

Other Equity

a) Retained Earnings

Opening Balance	(392.60)	(234.74)
Add: Profit / (loss) for the year	795.99	2,771.57
Add: Transfer from Other Comprehensive income	19.98	(66.30)
	423.37	2,470.53
Less: Transfer to Partner's Capital Account (share of Profit/ (Loss) as per note 21.1)	2,247.97	2,863.13
Closing balance	(1,824.60)	(392.60)

b) Other Comprehensive Income

i) Remeasurements of Defined Benefit obligations

Opening Balance	-	-
Add: Changes during the year	19.98	(66.30)
Less: Transfer to Retained Earnings	19.98	66.30
Closing Balance	-	-

ii) Foreign Currency Translation Reserve

Opening Balance	16.85	6.62
Add: Changes during the year	5.21	10.23
Closing Balance	22.06	16.85

iii) Cash Flow Hedge Reserve

Opening Balance	-	-
Add: Changes during the year	49.72	-
Closing Balance	49.72	-

(1,752.82) (375.75)

Note 21.1 : In terms of clause 24.1 of the Amended and Restated LLP Agreement dated 24-Feb-21 amongst the aforesaid partners, profit & loss after tax from the business operations of the LLP shall be shared in the ratio of 49% & 51% by Mr. Sabyasachi Mukherjee and Aditya Birla Fashion & Retail Ltd. respectively. Further, as per clause 24.2 of the Agreement, on account of earlier year tax adjustment, on behalf of existing partners of the LLP post execution of the agreement shall be fully borne by Mr.Sabyasachi Mukherjee (referred to as Partner 1 in the agreement).



Note 22: Borrowings

Secured

Term Loan from ICICI Bank
Term Loan from Bank (in foreign currency)
Working Capital Demand Loan from Banks
CC facility from Bank
Gold Metal Loan

31 Mar 2023		31 Mar 2022	
Current	Non- Current	Current	Non- Current
168.87	2,816.94	-	-
873.55	2,402.28	94.76	1,421.38
5,500.00	-	-	-
84.85	-	-	-
260.08	-	-	-
6,887.35	5,219.22	94.76	1,421.38

22.1 Term Loan from ICICI Bank is secured by the first pari-passu charge on both movable and immovable fixed assets both present and future amounting to Rs. 5000 lakhs. The tenure of term loan is 6 years with 18 months moratorium. The repayment starts from June 2024 and ends on Decemeber 2028. The repayment of principal amount to Rs. 277 lakhs will take place quarterly starting from June 2024. The interest amount will be deducted monthly calculated on the outstanding principal amount.

22.2 Term Loan (in US Dollars) from Bank taken by the Subsidiary Company (M/s Sabyasachi Inc.) having sanctioned limit of USD 42.50 lakhs is secured by an irrevocable Standby Letter of Credit backed by Parent entity (Sabyasachi Calcutta LLP) and charge over all moveable & immovable PPE of the Subsidiary. The loan is repayable in 16 equal quarterly installments starting from 31 March 2023 and interest is payable @ Reference Rate plus 1.90% per annum. The first installment has been paid in Mar 23.

Details of security for current borrowings:

22.3 The LLP has availed Gold Metal Loan from ICICI Bank as a part of its fund based limit of sanction limit of Rs. 2500 lakhs for Jewellery manufacturing (domestic and export). The interest shall be charged monthly at notional value of gold linked to international gold lease rate (presently 4.25% p.a.). The loan will be available for a maximum of 180 days.

22.4 Cash Credit from ICICI bank is secured by:

1. First pari passu charge on all the current asset and all the movable PPE of the borrower (both future & present).
2. First pari passu charge on Immovable PPE of the firm.

22.5 Cash Credit from Yes Bank is secured by hypothecation of entire current assets (both present and future)

22.6 Cash Credit from Axis Bank is secured by hypothecation of entire current assets (both present and future)

22.7 The LLP has undrawn committed borrowings facilities available to the extent of Rs.5,655 lakhs as on 31.03.2023

* Rs. 300 lakhs (PY Rs. 250 lakhs) in case of ICICI Bank relates to Non fund based facility.

22.8 The LLP has not defaulted on any loans payable, and there has been no breach of any loan covenants.

22.9 The LLP has registered all the applicable charges with Registrar of Companies within the statutory period.

Note 23: Lease liabilities

Lease liability (Refer Note 5(a))

31 Mar 2023		31 Mar 2022	
Current	Non- Current	Current	Non- Current
1,072.46	12,900.40	1,934.59	8,375.83
1,072.46	12,900.40	1,934.59	8,375.83

Note 24: Provisions

Employee Benefit Obligation

Provision for Gratuity (Refer Note-39)
Provision for Leave encashment
Provision for Contingency

31 Mar 2023		31 Mar 2022	
Current	Non- Current	Current	Non- Current
41.44	559.77	50.10	497.72
4.93	59.53	16.11	118.50
102.76	-	238.50	-
149.13	619.30	304.71	616.22

24.1 Movement in provision for contingency

Opening balance
Add: Provision made during the year
Less: Provision utilised during the year
Less: Provision reversed during the year
Closing balance

31 Mar 2023	31 Mar 2022
238.50	510.50
-	-
135.74	272.00
-	-
102.76	238.50

24.2 :Various Job workers have claimed differential rate for embroidery charges related to work done in earlier years since the rates were not fixed considering the work & rate fixation involves various factors such as man-hours, craftsmanship, intricate designing, etc. Accordingly, based on principles of prudence, the erstwhile firm has created a Provision for Contingency amounting to Rs.510.50 lakhs in previous year 2019-20. The claims are being negotiated and management does not foresee any further liability arising on the aforesaid matter. During the year 2022-23 an amount of Rs. 135.74 lakhs (PY Rs.272 lakhs) has been paid against the provision.



Note 25: Trade payables

	31 Mar 2023	31 Mar 2022
Current		
Trade Payables		
Total Outstanding dues of Micro enterprises and small enterprises	490.65	434.59
Total outstanding dues of creditors other than MSME	3,406.35	2,567.38
Total payables	3,897.00	3,001.97

Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Particulars	31 Mar 2023	31 Mar 2022
a. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount due to Micro and Small Enterprises	477.44	430.32
Interest due on the above	13.21	4.26
b. The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	13.21	4.26
e. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided by the LLP based on the information available with the LLP in respect of the registration status of its vendors.

25.1: Trade Payables Ageing Schedule

Particulars	Outstanding as on March 31, 2023 from due date of payment						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	490.65	-	-	-	490.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	630.68	340.66	2,374.36	54.87	5.35	0.43	3,406.35
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	630.68	340.66	2,865.01	54.87	5.35	0.43	3,897.00

Particulars	Outstanding as on March 31, 2022 from due date of payment						
	Unbilled Due	Not Due	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	143.93	287.09	3.57	-	-	434.59
Total outstanding dues of creditors other than micro enterprises and small enterprises	73.07	281.59	2,107.71	97.45	6.31	1.25	2,567.38
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	73.07	425.52	2,394.80	101.02	6.31	1.25	3,001.97

Note 26: Other Financial Liabilities

	31 Mar 2023		31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Interest accrued and not due on borrowings	10.15	-	-	-
Payable to Employees	476.26	-	288.32	-
Capital Creditors (Refer note 38(b))	521.32	-	574.33	-
Security Deposit Payable	3.22	-	-	-
	1,010.95	-	862.65	-

Note 27: Other Liabilities

	31 Mar 2023		31 Mar 2022	
	Current	Non- Current	Current	Non- Current
Advance from customers	3,156.90	-	3,451.32	-
Statutory Dues	258.96	-	43.19	-
Total other liabilities	3,415.86	-	3,494.51	-

Note 28: Liability of current tax (net)

	31 Mar 2023	31 Mar 2022
Current tax liability (net of Advance Tax & TDS)	40.49	228.78
	40.49	228.78



Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)

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Notes to the consolidated financial statements for the period 1st April 2022 to 31 March 2023

(All amounts in Rs. In Lakhs, unless otherwise stated)

Note 29: Revenue from contract with customers

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
Revenue from Sale of Products	33,902.65	22,553.78
Revenue from rendering of services	406.27	358.71
Other Operating Income		
Export Incentives	10.46	2.45
Royalty Income	35.15	27.40
License Fees	31.22	-
	34,385.75	22,942.34

A. Nature of goods and services

The following is a description of principal activities separated by reportable segments from which the LLP generates its revenue

a) The LLP is engaged in the manufacturing of apparels and generates revenue from the sale of Apparels, Jewellerys and Accessories and the same is only the reportable segment of the Company.

b) Reconciliation of revenue as recognised in the Statement of Profit and Loss with the contracted price

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
Revenue as per contracted price	35,427.87	23,862.99
Less:		
Sales Return	520.05	106.25
Markdown	1,005.17	1,202.96
	33,902.65	22,553.78

B) Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products lines and timing of revenue recognition.

i) Primary Geographical Markets

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
Within India	28,622.21	20,055.87
Outside India	5,763.54	2,886.47
Total	34,385.75	22,942.34

ii) Breakup of Sale of goods:

Apparels & Accessories	24,868.33	17,492.70
Jewellerys	8,559.45	4,894.49
Others	474.87	166.59
Total	33,902.65	22,553.78

Breakup of Sale of services:

Design services	250.00	270.00
Other services	156.27	88.71
Total revenue from services	406.27	358.71

iii) Timing of Revenue

At a point in time	34,385.75	22,942.34
Over time	-	-
Total	34,385.75	22,942.34

iv) Contract Duration

Long Term	-	-
Short Term	34,385.75	22,942.34
Total	34,385.75	22,942.34

C. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

	March 31, 2023	March 31, 2022
Receivables, which are included in 'Trade receivables'	1,216.52	344.39
Contract assets-Accrued revenue (Note 10)	17.98	19.59
Contract liabilities	3,156.90	3,451.32

Note 30: Other Income

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
Interest on fixed deposit with Banks	14.73	63.24
Unwinding of Interest on Security Deposit	61.82	27.46
Reversal of lease liability	5.28	-
Net gain/(loss) on sale of Mutual Fund	2.03	128.52
Fair Value Gain on Mutual Fund	-	7.03
Gain/(Loss) on Foreign Exchange Fluctuation	352.28	164.19
Discount Received	0.51	0.07
Excess Provision/Liabilities no longer required written back	87.91	19.38
Miscellaneous Income	0.40	2.21
Income from hedging Instruments	23.15	-
Gain on modification/termination of ROU (Net)	72.80	0.19
Profit on Sale of PPE	0.76	0.37
Total other income	621.67	412.66



Note 31: Cost of raw materials consumed

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
(A) Raw Material		
Opening inventory	1,627.74	598.47
Add: Purchases during the year	5,749.75	3,369.08
Less: Inventory at the end of the year	2,806.11	1,627.74
	<u>4,571.38</u>	<u>2,339.81</u>
(B) Stores & Printing Materials Consumed		
Inventory at the beginning of the year	3,184.96	799.03
Add: Purchases during the year	5,664.91	4,010.40
Less: Inventory at the end of the year	4,466.23	3,184.96
	<u>4,383.64</u>	<u>1,624.47</u>
(C) Packing Materials Consumed:		
Inventory at the beginning of the year	250.33	-
Add: Purchases during the year	530.13	337.18
Less: Inventory at the end of the year	507.76	250.33
	<u>272.70</u>	<u>86.85</u>
Total (A+B+C)	<u>9,227.72</u>	<u>4,051.13</u>

Note 32: Change in inventory of finished goods and work in progress

	For the Period 1 Apr 22 to 31 Mar 23	For the Period 1 Apr 21 to 31 Mar 22
Opening inventory		
Finished goods	1,584.00	1,582.81
Stock-in-trade	5,853.64	4,723.74
Work in progress	2,283.58	1,269.23
	<u>9,721.22</u>	<u>7,575.78</u>
Closing inventory		
Finished goods	3,665.24	1,584.00
Stock-in-trade	10,634.99	5,853.64
Work in progress	3,332.44	2,283.58
	<u>17,632.67</u>	<u>9,721.22</u>
Less : Finished Goods issued as Gift transferred to Sales Promotion	60.04	57.98
Total of changes in inventory of finished goods and work in progress	<u>(7,971.49)</u>	<u>(2,203.42)</u>



Note 33: Employee benefit expense

Salary, Bonus and Staff Incentives
Partner's Remuneration
Contribution to Provident Funds and other Fund [Refer Note 39(b)]
Gratuity Expenses (Refer note 39)
Staff Welfare Expenses
Total employee benefit expense

For the Period 1 Apr 22 to 31 Mar 23
7,124.50
305.00
313.36
137.89
547.23
8,427.98

For the Period 1 Apr 21 to 31 Mar 22
4,948.09
359.10
181.14
113.97
169.29
5,771.59

Note 34: Depreciation and amortisation expense

Depreciation on Property Plant and Equipment
Amortization of Intangible Assets
Depreciation of Right of Use Assets
Total depreciation and amortisation expense

For the Period 1 Apr 22 to 31 Mar 23
1,065.71
79.57
2,140.45
3,285.74

For the Period 1 Apr 21 to 31 Mar 22
702.63
37.66
1,554.95
2,295.24

Note 35: Other expenses

Dyeing & embroidery charges
Processing charges
Rent
Legal & Professional charges
Bank charges
Advertisement & sales promotion
Commission on Sales
Power, fuel and water charges
Travelling & Conveyance
- Statutory Audit
- Tax Audit
- Certification & Others
Freight, Clearing and Forwarding Charges
Repair and maintenance
Security expenses
Housekeeping charges
Rates and taxes
Insurance
Event & Exhibition Expenses
Telephone, Internet Charges & Website Expenses
Printing and stationary
Bad Debts Written off
Less : Bad Debt Written Off
Allowance for doubtful debts / (written back)
Sundry Balances written off
Miscellaneous expenses
Employee Support Charges/ Corporate O/H Allocation
Total Other expenses

For the Period 1 Apr 22 to 31 Mar 23
2,089.79
446.56
490.05
716.06
358.86
3,058.75
1,156.90
297.12
1,407.04
6.60
2.75
18.79
652.08
748.80
324.24
197.04
482.38
117.26
242.88
51.24
76.42
-
-
-
4.51
498.61
515.68
13,960.41

For the Period 1 Apr 21 to 31 Mar 22
1,257.54
103.96
138.21
461.59
139.11
1,489.67
701.06
143.59
244.35
6.00
2.50
23.29
234.73
137.93
141.50
84.71
44.38
43.28
0.73
36.73
45.99
-
(46.33)
0.17
(2.29)
7.00
53.18
317.04
5,855.95

Note 36: Finance costs

on Term Loan from Bank
on Vehicle Loan from Bank
on Working Capital Loan from bank
on Lease Liabilities
on Income Tax
on Others
on Hedging Instrument
Other Borrowing Cost :
Loan Processing Fees
MTM Loss on Fair Valuation of Financial Liabilities (Metal Loan)

For the Period 1 Apr 22 to 31 Mar 23
279.78
-
279.51
1,186.08
16.00
9.95
17.99
-
2.11
22.26
1,813.68
73.56
1,740.12

For the Period 1 Apr 21 to 31 Mar 22
37.02
4.05
-
131.17
59.20
0.74
-
8.39
-
240.57
10.40
230.17

Less: Transfer to Capital Work in Progress (CWIP)

Finance costs expended in profit or loss

Note 37: Tax Expenses

Income tax recognised in statement of Profit & Loss

Current Tax
Deferred Tax
Tax expense for current year / period
For Earlier Years
Total tax expense recognised in statement of Profit & Loss

For the Period 1 Apr 22 to 31 Mar 23
1,407.00
(825.80)
581.20
-
581.20

For the Period 1 Apr 21 to 31 Mar 22
1,919.00
(322.85)
1,596.15
99.17
1,695.32

Note 37.1: Reconciliation of Tax expenses on the accounting profit for the year

Profit/(Loss) before Tax
Applicable Tax Rate
Estimated Income Tax Expenses

1,377.19
34.94%
481.25

4,466.88
34.94%
1,560.91

Tax effect of adjustments to reconcile expected Income tax expense to reported Income tax expense

Exempted Income
Expenses Disallowed
Capital Gain Tax u/s 45(5) of Income Tax Act, 1961
Income taxable at different rate
Others

13.89
-
38.61
47.45
99.95
581.20

19.46
-
13.79
1.99
35.24
1,596.15

Income Tax Expenses in Statement of Profit & Loss



Note:38 COMMITMENTS AND CONTINGENCIES**a) Leases**

Lease commitments as lessee.

The LLP has entered into agreements for taking on lease certain offices/ manufacturing units / store premises / warehouses on lease and licence basis. The lease term is for a period ranging from 3 to 18 years, on fixed rental basis with escalation clauses in the lease agreements.

i) Expenses/ Income recognised in the Statement of Profit and Loss:

Particulars	For the year	For the year
	1 April 2022 to 31 Mar 2023	1 April 2021 to 31 Mar 2022
Other income	5.28	-
Gain on modification/ retirement of right-of-use assets	72.80	0.19
Rent	-	-
Expense relating to short-term leases	481.26	314.41
Expense relating to leases of low value assets	14.07	56.63
Rent Concession	-	(232.83)
Finance cost	-	-
Interest expense on lease liabilities	1,186.08	131.17
Depreciation and impairment losses	-	-
Depreciation on right-of-use assets	2,140.45	1,554.94

ii) Contractual maturities of lease liabilities

The below table provides details regarding the contractual maturities of lease liabilities on undiscounted basis:

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Within one year	2,530.98	2,541.14
After one year but not more than five years	7,668.23	7,148.76
More than five years	13,977.84	5,471.81
Total	24,177.05	15,161.71

Total cash outflow for leases for the period 1st April 2022 to 31st March 2023 is Rs. 2393.38 lakhs and for the period 1st April 2021 to March 31, 2022 is Rs. 1094.99 lakhs- in previous year.

iii) Lease Commitments for leases not considered in measurement of lease liabilities

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Lease Commitments for short-term leases	284.03	40.20
Lease Commitments for leases of low value assets	1.65	1.98
Total	285.68	42.18

b) Capital Commitments

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	3,287.28	661.31
Total	3,287.28	661.31

c) Contingent Liabilities

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Income Tax	-	-
Bank Guarantee *	15.52	15.52
Guarantee given to foreign bank in respect of SBLC facility of USD 300,000 to be availed by M/s Sabyasachi Inc.	246.65	227.42
Guarantee given to foreign bank in respect of SBLC facility of USD 47,00,000 to be availed by M/s Sabyasachi Inc.	3,500.00	3,500.00
Total	3,762.17	3,742.94

* Bank Guarantee is given for the purpose of availing EPCG schemes and for Sales Tax purposes.

Note 39 GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS**a. Gratuity**

Every employee of the LLP is entitled to Gratuity under Payment of Gratuity Act, 1972, which is an unfunded defined benefit plan, equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and Balance Sheet for the defined benefit plan:

Unfunded defined benefit plan**i) Net benefit expense recognised through the Statement of Profit and Loss**

Particulars	For the period	For the period
	1 April 2022 to 31 Mar 2023	1 April 2021 to 31 Mar 2022
Current service cost	98.75	92.80
Interest cost on defined benefit obligation	39.14	21.17
Total	137.89	113.97

ii) Remeasurements recognised in Other Comprehensive Income

Particulars	For the period	For the period
	1 April 2022 to 31 Mar 2023	1 April 2021 to 31 Mar 2022
Actuarial (gains) / Losses	-	(24.91)
Changes in demographic assumptions	-	(13.29)
Changes in financial assumptions	(18.01)	140.12
Experience adjustments	(12.70)	-
Total	(30.71)	101.92



iii) Changes in the present value of the Defined Benefit Obligations (DBO) are as follows:

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Opening defined benefit obligation		
Current Service Cost	547.83	374.99
Interest cost on defined benefit obligation	98.75	92.80
Actuarial (gain)/ loss on account of:	39.14	21.17
Changes in demographic assumptions	-	(24.91)
Changes in financial assumptions	(18.01)	(13.29)
Experience adjustments	(12.70)	140.12
Actuarial (gain)/ loss recognised in OCI	-	-
Benefits paid	(53.80)	(43.04)
Liabilities assumed/ (settled)	-	-
Closing defined benefit obligation	601.21	547.83

iv) Amounts recognised in the Balance Sheet

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Present value of the defined benefit obligation at the end of the year:		
Unfunded	601.21	547.83
Net liability	601.21	547.83
Net liability is classified as follows:		
Current	41.44	50.10
Non- Current	559.77	497.72
Net Liability	601.21	547.82

v) The principal assumptions used in determining gratuity (unfunded) defined benefit obligations for the LLP are shown below:

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Financial Assumptions		
Discount Rate	7.45%	7.15%
Salary Escalation Rate	6.00%	6.00%
Demographic Assumptions		
Mortality Rate	IALM (2012-14) Table	IALM (2012-14) Table
Withdrawal Rate	6.00%	6.00%
Retirement Age	60 years	60 years

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

vi) A quantitative sensitivity analysis for significant assumptions is as follows:

Particulars	As at 31st March 2023		As at 31st March 2022	
	1% increase	1% decrease	1% increase	1% decrease
Increase/ (Decrease) in Defined benefit obligations (unfunded)				
Discount Rate	547.08	664.63	498.61	605.70
Salary Escalation Rate	660.55	548.86	601.70	500.31
Attrition Rate	50% increase	50% decrease	50% increase	50% decrease
Increase/ (Decrease) in Defined benefit obligations (unfunded)	619.00	572.76	559.94	527.30
Mortality Rate	10% increase	10% decrease	10% increase	10% decrease
Increase/ (Decrease) in Defined benefit obligations (unfunded)	601.49	600.94	548.03	547.61

The above sensitivity analysis have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

vii) The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years (Previous year 10 years) . The maturity profile of the defined benefit obligation are

Particulars	As at	As at
	31-Mar-23	31-Mar-22
Within the next 12 months	41.44	50.10
Between 2 and 5 years	204.83	184.16
Between 6 and 10 years	264.57	223.00
Beyond 10 years	1,000.61	872.95

b. Defined contribution plans

Amount recognised as an expense and included in Note - 33 as "Contribution to provident and other funds"

Particulars	For the Period	For the Period
	1 April 22 to 31 Mar 23	1 April 21 to 31 Mar 22
Contribution to Government Provident Fund	259.00	132.26
Contribution to Employee State Insurance (ESI)	54.36	48.88
Total	313.36	181.14

In respect of the Honourable Supreme Court ruling in February 2019 relating to computation of salaries for Provident Fund contribution, there is uncertainty and ambiguity in retrospective application and accordingly the Company will evaluate its position as clarity emerges.

c. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.



Note :40 Related Party Transactions

I. Related parties with whom transactions have taken place during the quarter ended:

A Entities which exercises control	M/s Aditya Birla Fashion And Retail Limited (ABFRL)
B Key Management Personnel	Mr. Sabyasachi Mukherjee, Partner Mr. Ashish Dikshit (Managing Director- ABFRL) Mr. Sunny Kumar Jain, Partner Mr. Jagdish Bajaj, Partner Mrs. Sunita Bangard, Partner
C Relatives of Key Management Personnel	Mrs. Sinjini Mukherjee (Sister of Mr. Sabyasachi Mukherjee)
D Enterprises owned or significantly influenced by key management personnel or their relatives	M/s Sabyasachi Couture Private Limited M/s Sabyasachi Artisanal Designs India Private Limited M/s Aditya Birla Management Corporation Private Limited
E Fellow Subsidiaries/ Joint Venture	Jaypore E-Commerce Private Limited TG Apparel & Décor Private Limited Finesse International Design Private Limited Indivinity Clothing Retail Private Limited Aditya Birla Digital Fashion Ventures Limited (w.e.f April 4th 2022) House of Masaba Lifestyle Private Limited (w.e.f June 1st, 2022) Aditya Birla Garments Limited (w.e.f. June 15th, 2022) Prtayaya E-commerce Private Limited (w.e.f. July 22nd, 2022) Awesomefab Shopping Private Limited (w.e.f. Aug 24th, 2022) Bewakoof Brands Private Limited (w.e.f. February 15th, 2023) Goodview Fashion Private Limited (Joint Venture of ABFRL)

II. Transactions during the period:

Particulars	FY	Related parties which exercises control	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives
Sale of goods	2022-2023	8.97	4.65	-	14.55
	2021-2022	-	4.77	-	114.81
Sale of Services	2022-2023	-	-	-	-
	2021-2022	-	-	-	0.82
Remuneration paid	2022-2023	-	305.00	-	-
	2021-2022	-	359.10	3.00	-
Employee Support Charges/Corporate O/H Allocation	2022-2023	497.63	-	-	-
	2021-2022	317.04	-	-	-
Sundry balance written off	2022-2023	-	-	-	-
	2021-2022	0.83	-	-	-
Introduction of Capital	2022-2023	5,100.00	4,900.00	-	-
	2021-2022	-	-	-	-
Staff Welfare	2022-2023	-	-	-	-
	2021-2022	0.09	-	-	-
Telephone & Internet Charges	2022-2023	-	-	-	-
	2021-2022	-	-	-	-

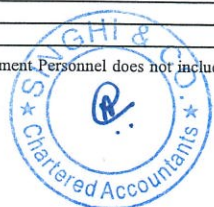
Balance Outstanding as on Balance Sheet Date

Particulars	FY	Related parties which exercises control	Key Management Personnel	Relatives of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives
Remuneration payable	2022-2023	-	-	-	-
	2021-2022	-	-	-	-
Trade Receivable	2022-2023	-	5.26	-	-
	2021-2022	-	-	-	-
Trade Payables	2022-2023	24.85	-	-	-
	2021-2022	232.37	-	-	-
Other Receivable	2022-2023	-	-	-	-
	2021-2022	-	-	-	-
Advance from Customer	2022-2023	-	-	-	0.20
	2021-2022	-	-	-	-

40.1 The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Amount owed to and by related parties are unsecured and interest free and settlement occurs in cash. There have been no guarantees received or provided for any related party receivables or payables. For the year ended March 31, 2023, the LLP has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of Key Managerial Personnel (KMP) of the Company	For the Period 1 Apr 2022 to 31 Mar,2023	For the Period 1 Apr 2021 to 31 March ,2022
Short term employee benefits	305.00	359.10
Post employment benefits	-	-
Share-based payment	-	-
Total	305.00	359.10

The remuneration to the Key Management Personnel and relatives of the Key Management Personnel does not include provision made for Gratuity (Defined benefits plan) as it is determined on an actuarial basis for the LLP as a whole.



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Notes to the consolidated financial statements for the period 1st April 2022 to 31 March 2023
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Note 41 FINANCIAL INSTRUMENTS: FAIR VALUE, RISK MANAGEMENT OBJECTIVES AND POLICIES

41.1 Accounting classification and fair values

The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 are as follows:

As at March 31, 2023	FVTPL	FTVOCI	Amortised Cost	Total carrying Value	Fair Value		
					Level 1	Level 2	Level 3
Financial Assets							
Loans	-	-	15.85	15.85	-	-	-
Security deposits	-	-	1,076.17	1,076.17	-	-	-
Trade receivables	-	-	1,216.52	1,216.52	-	-	-
Cash and cash equivalents	-	-	829.83	829.83	-	-	-
Bank balance other than the above	-	-	290.92	290.92	-	-	-
Other financial assets	-	77.12	31.44	108.56	77.12	-	-
Total	-	77.12	3,460.73	3,537.85	77.12	-	-
Financial Liabilities							
Non-current borrowings	-	-	5,219.22	5,219.22	-	-	-
Current borrowings	260.08	-	6,627.28	6,887.36	260.08	-	-
Lease liabilities	-	-	13,972.86	13,972.86	-	-	-
Trade Payables	-	-	3,897.00	3,897.00	-	-	-
Other Financial Liabilities	-	-	1,010.95	1,010.95	-	-	-
Total	260.08	-	30,727.31	30,987.39	260.08	-	-

As at March 31, 2022	FVTPL	FTVOCI	Amortised Cost	Total carrying Value	Fair Value		
					Level 1	Level 2	Level 3
Financial Assets							
Investments	715.21	-	-	715.21	715.21	-	-
Loans	-	-	21.64	21.64	-	-	-
Security deposits	-	-	764.93	764.93	-	-	-
Trade receivables	-	-	344.39	344.39	-	-	-
Cash and cash equivalents	-	-	749.55	749.55	-	-	-
Bank balance other than the above	-	-	220.18	220.18	-	-	-
Other financial assets	-	-	299.01	299.01	-	-	-
Total	715.21	-	2,399.70	3,114.91	715.21	-	-
Financial Liabilities							
Non-current borrowings	-	-	1,421.38	1,421.38	-	-	-
Current borrowings	-	-	94.76	94.76	-	-	-
Lease liabilities	-	-	10,310.42	10,310.42	-	-	-
Deposits	-	-	-	-	-	-	-
Trade Payables	-	-	3,001.98	3,001.98	-	-	-
Other Financial Liabilities	-	-	862.65	862.65	-	-	-
Total	-	-	15,691.19	15,691.19	-	-	-

* Carrying value of financial instruments measured at amortised cost equals to the fair value.

Key inputs for level 1 and 3 fair valuation techniques

- Investment in mutual funds: based on the net asset value of the Scheme as provided by the Asset Management Company of the fund (level 1)



41.2 Risk management objectives and policies

The LLP's principal financial liabilities, other than derivatives, comprises loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the LLP's operations. The LLP's principal financial assets include investments in mutual funds, trade and other receivables, fixed deposits with banks and cash and cash equivalents that derive directly from its operations.

The LLP is exposed to market risk, credit risk and liquidity risk. The LLP's management oversees the management of these risks. It is the LLP's policy that no trading in derivatives for speculative purposes may be undertaken. The management reviews and agrees policies for managing each of these risks, which are summarised below:

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk. Financial instruments affected by market risk include borrowings, trade receivable and trade payable.

(i) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of the LLP's financial instruments will fluctuate because of changes in market interest rates. The LLP is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The LLP is also exposed to interest rate risk on surplus funds parked in fixed deposits. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to interest rate risk

Particulars	31-Mar-23	31-Mar-22
Fixed Rate Instruments		
Financial Assets	303.83	498.51
Financial Liabilities	-	-
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	12,106.57	1,516.14

(b) Interest rate Sensitivity: A change in 50 basis points in the interest rate would have following impact on profit before tax and other equity.

Particulars	Sensitivity Analysis	31-Mar-23	31-Mar-22
		Impact on Profit before Tax	Impact on Profit before Tax
Interest rate increase by	0.50%	(60.53)	(7.58)
Interest rate decrease by	0.50%	60.53	7.58

The wholly owned Subsidiary has entered into Derivative contracts with ICICI Bank against the outstanding loan of \$4.25 million. The Subsidiary has hedged the SOFR in Interest Rate payable to ICICI Bank as the SOFR is rising. The Subsidiary will pay a fixed rate of interest and the Bank will pay the floating rate of Interest. If the daily compounded SOFR fixes below 2.84% for \$2.25 million or 2.43% for \$2.0 million on any fixing date then the company will incur a loss to the extent of difference between Actual Rate and SOFR Rate and vice-versa. Accordingly, there would not be any impact on Profit before Tax because of Interest Rate Sensitivity.

(ii) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The LLP does not have significant foreign currency exposure and accordingly does not hedge its transactions using foreign currency forward contracts.

a) Unhedged Foreign Currency Exposure

The Company's exposure to foreign currency at the end of the reporting period expressed is as follows

Particulars	31-Mar-23			31-Mar-22		
	Currency	Foreign Currency	Rs. in Lakhs	Currency	Foreign Currency	Rs. in Lakhs
Financial Assets						
Trade Receivables	USD	7,85,238	645.60	USD	1,91,555	145.21
Financial Liabilities						
Trade Payable	USD	2,24,726	184.76	USD	1,50,220	113.93
Trade Payable	EURO	1,36,064	121.92	EURO	59	0.05

b) Foreign currency sensitivity

Particulars	Sensitivity Analysis	March 31, 2023	March 31, 2022
		Impact on Profit before Tax	Impact on Profit before Tax
Interest rate increase by	0.50%	1.69	0.16
Interest rate decrease by	0.50%	(1.69)	(0.16)



B. Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit. The LLP is exposed to credit risk from its operating activities, primarily trade receivables and financial instruments (investments and deposits with banks).

(i) Trade receivables

Customer credit risk is managed by the LLP subject to established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored and major customers dues are generally from Agents / Multi Brand Outlets and Export debtors. Thus, based on past trends, the company does not foresee any losses in expected credit loss (ECL). However, based on customer related specific information, provision for loss allowance is created on case to case basis. The LLP's maximum exposure to credit risk for the components of the Balance Sheet as at March 31, 2023 is the carrying amount as provided in Note - 17.

(ii) Financial instrument and cash deposit

Credit risk is limited as the LLP generally invest in deposits with banks and in mutual fund units. Counterparty credit limits are reviewed by the Company periodically and the limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

C. Liquidity risk

The LLP determines its liquidity requirement in the short term and long term. The LLP manage its liquidity risk in a manner so as to meet its financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis

The below tables summarises the maturity profile of the LLP's financial liabilities based on contractual payments.

As at March 31, 2023

Particulars	Less Than 1 year	1 to 5 year	More Than 5 Years	Total
Borrowings	6,887.35	5,219.22	-	12,106.57
Lease liabilities	1,072.46	3,899.62	9,000.78	13,972.86
Other financial liabilities	1,010.95	-	-	1,010.95
Trade payables	3,897.00	-	-	3,897.00
Total	12,867.76	9,118.84	9,000.78	30,987.38

As at March 31, 2022

Particulars	Less Than 1 year	1 to 5 year	More Than 5 Years	Total
Borrowings	94.76	1,421.38	-	1,516.14
Lease liabilities	1,934.59	4,972.63	3,403.20	10,310.42
Other financial liabilities	862.65	-	-	862.65
Trade payables	3,001.98	-	-	3,001.98
Total	5,893.98	6,394.01	3,403.20	15,691.19

Note 42 CAPITAL MANAGEMENT

The LLP's objective is to maintain a strong capital base to ensure sustained growth in business. The capital management focuses to maintain an optimal structure that balances growth and maximizes Partner's value. The LLP is predominantly financed by Partner's Capital. Further, the LLP has sufficient cash, cash equivalents, current investments and financial assets which are liquid to meet the debts.

The following table summarises the capital of the LLP (debts excludes lease liabilities):

	As At 31st March 2023	As At 31st March 2022
Short-term debts (including current maturities of long-term borrowings)	6,887.35	94.76
Long Term Debts	5,219.22	1,421.38
Total Borrowings	12,106.57	1,516.14
Total Equity (including Partner's Capital Balance)	90,486.13	79,615.23

In order to achieve this overall objective, the LLP's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. The LLP has not defaulted on any loans payable, and there has been no breach of any loan covenants. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023.



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Notes to the consolidated financial statements for the period 1st April 2022 to 31 March 2023
(All amounts in Rs. In Lakhs, unless otherwise stated)

Note 43 : Ratio Analysis and its elements

Ratios	Year ended March 31, 2023	Year ended March 31, 2022	Variance	Reasons for differences > 25%
Current ratio	2.04	2.33	-12%	
Debt-equity ratio	0.12	(0.0021)	-5788%	Due to substantial increase in borrowings as compared to previous year
Debt service coverage ratio	2.50	12.80	-80%	Due to decline in profit on account of increase in depreciation, finance cost and other expenses
Return On Equity	0.94%	3.54%	-74%	Due to decline in profit on account of increase in depreciation, finance cost and other expenses
Inventory turnover	1.71	1.93	-11%	
Debtors turnover	44.06	39.77	11%	
Trade Payable Turnover Ratio	1.80	1.89	-4%	
Net Capital Turnover Ratio	2.57	2.05	25%	
Net profit margin (%)	2.31%	12.08%	-81%	Due to decline in profit on account of increase in depreciation, finance cost and other expenses
Return on Average Capital Employed	1.86%	5.29%	-65%	Due to decline in profit on account of increase in depreciation, finance cost and other expenses and infusion of capital
Return on Investment	0.02	0.05	-65%	Due to decline in profit on account of increase in depreciation, finance cost and other expenses

Ratios have been computed as follows:

1. Current ratio = Current Assets / Current Liabilities (excluding Lease Liabilities accounted as per Ind AS 116)
2. Debt equity ratio = Debt / Equity
Debt = Borrowings (excluding Lease Liabilities accounted as per Ind AS 116) - Cash and Bank Balance (includes fixed deposits) - Liquid Investments
Equity = Equity share capital + Other equity (excluding Ind AS 116)
3. Debt service coverage ratio = Earnings before interest* and tax / [Finance cost* + Principal repayment of non-current borrowings (netted off to the extent of non-current borrowings availed during the same period for the repayments)]
4. Return on equity ratio = Profit after Tax / Average of opening and closing Net Worth
5. Inventory turnover = Revenue from Operations for the period / Average of opening and closing Inventories
6. Debtors turnover = Revenue from Operations for the period / Average of opening and closing Trade Receivables.
7. Trade Payables Turnover Ratio = COGS / Average Trade Payables
8. Net Capital Turnover ratio = Revenue / Average Working Capital
9. Net profit margin = Profit After Tax / Revenue from Operations
10. Return on Average Capital Employed = Earnings Before Interest and Tax / Average Capital Employed
11. Return on Investments = EBIT / Average Total Assets

Note 44 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker (CODM). The LLP is principally engaged in a single business segment viz., sale of apparels, accessories and jewellery under the brand name "Sabyasachi". Hence, disclosure requirements as required by Ind AS -108 are not applicable in respect of business segment.

45.1 Geographical Information

Particulars	For the Period 1 April 22 to 31 March 23	For the Period 1 April 21 to 31 March 22
i) Segment Revenue from external Customer (Sale of Goods)		
Within India	28,622.21	20,055.87
Outside India- Export Sales	5,763.54	2,886.47
Total	34,385.75	22,942.34

Note 45 These fit for consolidation financial statements for the year ended 31st March, 2023 were prepared in accordance with generally accepted accounting principles (GAAP) in India and that for Sabyasachi Inc. were prepared in accordance with generally accepted accounting principles in its country of incorporation, i.e., United State of America (US GAAP). In view of the LLP being a subsidiary of ABFRL, these fit for consolidation financial statements of the Group for the period April 1, 2022 to March 31, 2023 have been prepared in conformity of the group accounting policies of ABFRL which is in accordance with Indian Accounting Standards (Ind AS) and other relevant provisions including presentation & disclosures, as applicable.

Note 46 The previous period figures have been regrouped/rearranged wherever necessary, to confirm to the current period figures.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Singhi & Co.
Chartered Accountant
Firm Reg. No. 302049E

Ankit Dhelia
(Ankit Dhelia)
Partner
Membership no.: 069178
Place: Kolkata
Date: 11th May 2023



For Sabyasachi Calcutta LLP

[Signature]

(Mr. Sabyasachi Mukherjee)
Designated Partner
DPIN : 00625189

[Signature]

(Mr. Sunny Kumar Jain)
Designated Partner
DPIN : 07168511

[Signature]
(Mr. Shibaditya Ghosh)
Chief Financial Officer

