

INDEPENDENT AUDITOR'S REPORT

To the Partners of Sabyasachi Calcutta LLP

Opinion

We have audited the accompanying financial statements of **Sabyasachi Calcutta LLP** (hereinafter referred to as "the LLP"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on March 31, 2025 and notes to the financial statements, including 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 Limited Liability Partnership Act, 2008 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the LLP as at March 31, 2025, its profit 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 (SAs) generally accepted in India. 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 in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Responsibilities of Designated partners for the Financial Statements

The LLP's Designated Partners are responsible for preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards (IGAAP) and Limited Liability Partnership Act, 2008 ("the Act"). This responsibility also includes maintenance of adequate internal controls for safeguarding of the assets of the LLP 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 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, designated partners are responsible for assessing the LLP'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 partners either intends to liquidate the LLP 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 LLP'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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the LLP's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of partner'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 LLP'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 LLP 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.

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

ANKIT
DHELIA

Digitally signed by
ANKIT DHELIA
Date: 2025.05.21
20:48:49 +05'30'

Ankit Dhelia
Partner
Membership No. 069178
UDIN: 25069178BMNSEQ6780

Place: Kolkata
Dated: May 21, 2025

SABYASACHI CALCUTTA LLP
LLPIN - AAV-7132
Balance Sheet as at 31st March 2025
(All amounts Rs. in lakhs unless otherwise stated)

| Particulars | Notes | As at 31st March, 2025 | | As at 31st March, 2024 |
|---|-------|------------------------|--------------------|------------------------|
| <u>CONTRIBUTION AND LIABILITIES</u> | | | | |
| PARTNER'S CONTRIBUTION | | | | |
| Partner's Capital | 2.1 | | 1,01,254.55 | 98,032.67 |
| NON-CURRENT LIABILITIES | | | | |
| Non-current Borrowings | 2.2 | 3,691.78 | | 3,888.89 |
| Long-Term Provisions | 2.6 | <u>1,151.15</u> | <u>828.69</u> | |
| | | | 4,842.93 | 4,717.58 |
| CURRENT LIABILITIES | | | | |
| Current Borrowings | 2.3 | 5,322.74 | | 3,258.85 |
| Trade Payables | 2.4 | | | |
| -Total outstanding dues of micro enterprise and small enterprises | | 762.13 | | 909.20 |
| -Total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,043.58 | | 2,926.01 |
| Other Current Liabilities | 2.5 | 5,190.02 | | 4,800.63 |
| Short-Term Provisions | 2.6 | <u>831.12</u> | <u>412.12</u> | |
| | | | 16,149.59 | 12,306.81 |
| | | | <u>1,22,247.07</u> | <u>1,15,057.06</u> |

II. ASSETS

1 NON - CURRENT ASSETS

| | | | | |
|-------------------------------------|--------|-----------|-----------|-----------|
| Property, Plant and Equipment | 2.7 | 12,267.57 | | 12,144.77 |
| Intangible Assets | 2.7(A) | 64,280.88 | | 62,699.78 |
| Capital Work in progress | 2.7(B) | 2,510.88 | | 109.84 |
| Intangible Assets under development | 2.7(C) | 21.07 | 79,080.40 | - |
| | | | | 74,954.39 |
| Non-Current Investments | 2.8 | 6,975.52 | | 5,847.98 |
| Deferred tax assets (net) | 2.9 | 453.47 | | 368.27 |
| Long term Loans and Advances | 2.10 | 327.29 | | 285.63 |
| Other Non-Current Assets | 2.14 | 1,741.41 | | 1,177.18 |
| | | | 9,497.69 | 7,679.06 |

2 CURRENT ASSETS

| | | | | |
|-------------------------------|------|-----------|-------------|-------------|
| Inventories | 2.11 | 25,951.95 | | 24,162.38 |
| Trade Receivables | 2.12 | 3,259.07 | | 3,486.14 |
| Cash and Bank Balances | 2.13 | 1,246.89 | | 2,238.69 |
| Short-Term Loans and Advances | 2.10 | 2,606.48 | | 2,198.20 |
| Other Current Assets | 2.14 | 604.59 | | 338.20 |
| | | | 33,668.98 | 32,423.61 |
| | | | 1,22,247.07 | 1,15,057.06 |

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

For and On behalf of Sabyasachi Calcutta LLP

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

ANKIT DHELIA
Digitally signed by ANKIT DHELIA
Date: 2025.05.21 20:45:28 +05'30'

(Ankit Dhelia)
Partner
Membership Number - 069178

Date: 21st May, 2025
Place: Kolkata

JAGDISH PRASAD BAJAJ
Digitally signed by JAGDISH PRASAD BAJAJ
Date: 2025.05.21 19:20:53 +05'30'
(Mr. Jagdish Bajaj)
(Designated Partner)
DIN -08498055

SUNNY KUMAR JAIN
Digitally signed by SUNNY KUMAR JAIN
Date: 2025.05.21 18:58:12 +05'30'
(Mr. Sunny Kumar Jain)
(Designated Partner)
DPIN -07168511

DOLLY ROY
Digitally signed by DOLLY ROY
Date: 2025.05.21 18:32:33 +05'30'
(Dolly Roy)
Chief Finance Officer

SABYASACHI CALCUTTA LLP

LLPIN - AAV-7132

Statement of Profit and Loss for the year ended 31st March, 2025*(All amounts Rs. in lakhs unless otherwise stated)*

| PARTICULARS | Note | For the period 1st April 2024 to 31st March, 2025 | For the period 1st April 2023 to 31st March, 2024 |
|--|-----------|---|---|
| INCOME | | | |
| Revenue from Operation | 2.15 | 46,632.52 | 45,765.95 |
| Other Income | 2.16 | 985.73 | 753.99 |
| | (A) | 47,618.25 | 46,519.94 |
| EXPENDITURE | | | |
| Cost of Material Consumed | 2.17 | 11,899.63 | 10,360.36 |
| Purchase of Finished Goods | | 487.80 | 430.12 |
| Decrease/(Increase) in Inventories of Finished Goods & Work-in progress | 2.18 | (1,418.53) | (724.29) |
| Employee Benefits Expense | 2.19 | 9,410.62 | 9,513.66 |
| Finance Cost | 2.20 | 976.34 | 1,101.95 |
| Depreciation & Amortization Expense | 2.21 | 1,893.85 | 1,583.13 |
| Other Expenses | 2.22 | 19,368.86 | 16,807.40 |
| | (B) | 42,618.57 | 39,072.33 |
| Profit/(Loss) before Tax & Exceptional Items | (C=A - B) | 4,999.68 | 7,447.61 |
| Exceptional Items | (D) | - | - |
| Profit/(Loss) before Tax | (E=C - D) | 4,999.68 | 7,447.61 |
| <u>Tax Expenses</u> | | | |
| Current Tax | | 1,863.00 | 2,741.00 |
| Income tax For Earlier Year | | - | 12.30 |
| Deferred Tax charge / (credit) | | -85.20 | -135.66 |
| | (F) | 1,777.80 | 2,617.64 |
| Profit/(Loss) after Tax | (E - F) | 3,221.88 | 4,829.97 |
| Summary of Significant Accounting Policies | 1 | | |

The accompanying notes are an integral part of the Financial Statements

As per our Report of even date

For Singhi & Co.

Chartered Accountants

Firm Registration Number - 302049E

ANKIT Digitally signed
by ANKIT DHELIA
Date: 2025.05.21
DHELIA 20:46:15 +05'30'

(Ankit Dhelia)

Partner

Membership Number - 069178

Date: 21st May, 2025

Place: Kolkata

For and On behalf of Sabyasachi Calcutta LLP

JAGDISH Digitally signed by
PRASAD JAGDISH PRASAD
BAJAJ BAJAJ
Date: 2025.05.21
19:21:21 +05'30'

(Mr. Jagdish Bajaj)
(Designated Partner)
DIN -08498055

SUNNY Digitally signed by
KUMAR JAIN SUNNY KUMAR JAIN
Date: 2025.05.21
18:58:54 +05'30'

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

DOLLY ROY Digitally signed by
ROY DOLLY
Date: 2025.05.21 18:32:58
+05'30'

(Dolly Roy)
Chief Finance Officer

SABYASACHI CALCUTTA LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Cash Flow Statement for the year ended 31st March, 2025
(All amounts in Rs. In lakhs, unless otherwise stated)

| PARTICULARS | For the period 1st April 2024 to 31st March, 2025 | For the period 1st April 2023 to 31st March, 2024 |
|---|---|---|
| Profit before Tax | 4,999.68 | 7,447.61 |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| <u>Adjustment for :</u> | | |
| Liability no longer required written back | (286.04) | (484.74) |
| Provision for Gratuity | 337.56 | 245.99 |
| Provision for Leave encashment | 90.65 | 78.23 |
| Fair Valuation (Gain) /Loss on Gold Metal Loan | 77.76 | 51.94 |
| Depreciation & Amortization | 1,893.85 | 1,583.13 |
| Sundry Balance written off | 106.41 | 109.52 |
| Provision for Doubtful Deposit written back | (43.62) | - |
| Provision for Doubtful Debts/Advances/Deposits | 10.74 | 69.67 |
| Bad Debts written off | 11.15 | - |
| Interest Income | (34.63) | (25.86) |
| Interest Expense | 898.58 | 1,050.01 |
| Capital assets written off | - | 44.39 |
| MTM Loss on Derivative Instruments | 0.46 | 6.09 |
| Unrealised Foreign Exchange Gain/(Loss) | - | - |
| (Profit)/Loss on sale of Investment in Mutual Funds | (7.74) | - |
| Operating Profit before Working Capital Changes | 8,054.81 | 10,175.98 |
| <u>Movements in Working Capital</u> | | |
| Increase/ (Decrease) in Trade Payables | 1,255.35 | (25.90) |
| Increase/ (Decrease) in Other Current Liabilities | 500.08 | 885.26 |
| Increase/ (Decrease) in Provisions | (67.49) | (173.16) |
| (Increase) /Decrease in Trade Receivables | 205.18 | (516.34) |
| (Increase) /Decrease in Inventory | (1,789.57) | 1,250.39 |
| (Increase) /Decrease in Other Current Assets | (1,255.33) | 1,338.82 |
| Cash Generated from Operations | 6,903.03 | 12,935.05 |
| Direct Taxes Paid | (1,466.18) | (2,425.13) |
| Net Cash from Operating Activities | 5,436.85 | 10,509.92 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Property Plant & Equipment and Intangible Assets (including Capital advance, Creditors & work-in-progress) | (6,349.10) | (4,047.10) |
| Purchase of Investment in Mutual Funds | (3,300.00) | - |
| Proceeds from Sale of Investments in Mutual Funds | 3,307.74 | - |
| Investment in Equity shares of Sabyasachi Inc. (Refer Note 2.8(a)) | (1,127.53) | (1,828.97) |
| Investment in Fixed Deposits with maturity more than 3 months | (21.89) | (248.74) |
| Interest Received | 34.67 | 24.32 |
| Net Cash from Investing Activities | (7,456.11) | (6,100.49) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from Long-Term Borrowings | 914.00 | 2,000.00 |
| Repayment of Long Term Borrowings | (1,111.11) | - |
| Repayment of / (Proceeds from) Short Term Borrowings (Net) | 2,063.89 | (3,749.13) |
| Interest Paid | (898.21) | (993.26) |
| Net Cash from Financing Activities | 968.57 | (2,742.39) |
| Net Increase in Cash and Cash Equivalents (A+B+C) | (1,050.70) | 1,667.04 |
| Cash and Cash Equivalents at the beginning of the year | 1,730.34 | 63.30 |
| Cash and Cash Equivalents at the end of the year | 679.64 | 1,730.34 |

Notes :

1. The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.

| 2. Components of Cash and Cash Equivalents | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Balances with Banks | | |
| In Current Account | 564.47 | 1,696.58 |
| Cheques/drafts on hand | 2.96 | 1.99 |
| Cash in hand | 45.31 | 27.34 |
| Prepaid Balance in Debit Card | 66.90 | 4.43 |
| | 679.64 | 1,730.34 |

The accompanying notes & schedules are an integral part of the Financial Statements

As per our Report of even date annexed

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

ANKIT
DHELIA
 Digitally signed
 by ANKIT DHELIA
 Date: 2025.05.21
 20:46:55 +05'30'

(Ankit Dhelia)
Partner
Membership Number - 069178

Date: 21st May, 2025
Place: Kolkata

For and on behalf of Sabyasachi Calcutta LLP

JAGDISH
PRASAD
BAJAJ
(Mr. Jagdish Bajaj)
(Designated Partner)
DIN -08498055
 Digitally signed by
 JAGDISH PRASAD
 BAJAJ
 Date: 2025.05.21
 19:21:54 +05'30'

SUNNY KUMAR
JAIN
 Digitally signed by SUNNY
 KUMAR JAIN
 Date: 2025.05.21 18:59:19 +05'30'
(Mr. Sunny Kumar Jain)
(Designated Partner)
DPIN -07168511

DOLLY ROY
 Digitally signed by DOLLY ROY
 Date: 2025.05.21 18:53:09 +05'30'

Dolly Roy
(Chief Financial Officer)

SABYASACHI CALCUTTA LLP

LLPIN - AAV-7132

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

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

2.1 : Partner's Capital Account

| | As at 31st March, 2025 | | | | | |
|---|--------------------------|------------------------------------|-------------------|----------------------|----------------|--------------------|
| | Sri Sabyasachi Mukherjee | Aditya Birla Fashion & Retail Ltd. | Mr. Jagdish Bajaj | Miss. Sunita Bangard | Mr. Sunny Jain | Total |
| Closing Balance as at 31st March, 2023 | 45,838.48 | 47,363.89 | 0.11 | 0.11 | 0.11 | 93,202.70 |
| Add: | | | | | | |
| i) Capital Introduction | - | - | - | - | - | - |
| ii) Share of Profit / (Loss) for the year | 2,366.69 | 2,463.28 | - | - | - | 4,829.97 |
| Closing Balance as at 31st March, 2024 | 48,205.17 | 49,827.17 | 0.11 | 0.11 | 0.11 | 98,032.67 |
| Add: | | | | | | |
| i) Capital Introduction | - | - | - | - | - | - |
| ii) Share of Profit / (Loss) for the year | 1,578.72 | 1,643.16 | - | - | - | 3,221.88 |
| Closing Balance as at 31st March, 2025 | 49,783.89 | 51,470.33 | 0.11 | 0.11 | 0.11 | 1,01,254.55 |

Note 2.1(a) : 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.

SABYASACHI CALCUTTA LLP**LLPIN - AAV-7132****Notes to financial statements for the year ended 31st March, 2025***(All amounts in Rs. In lakhs, unless otherwise stated)***Note 2.7 : Property, Plant & Equipment**

| SI No. | Asset Class | Opening WDV as on 1st April, 2024 | Additions | Depreciation | Deletion | Closing WDV as on 31st March, 2025 |
|--------------|---------------------------|-----------------------------------|-----------------|-----------------|----------|------------------------------------|
| 1 | Freehold land & Structure | 192.15 | - | - | - | 192.15 |
| 2 | Leasehold Land(WBSIDCL) | 45.47 | - | 0.54 | - | 44.93 |
| 3 | Building | 1,649.04 | 64.23 | 168.83 | - | 1,544.44 |
| 4 | Plant & Machinery | 776.16 | 394.64 | 187.26 | - | 983.54 |
| 5 | Vehicles | 325.78 | - | 49.10 | - | 276.68 |
| 6 | Furniture & Fittings | 7,188.48 | 909.09 | 766.35 | - | 7,331.22 |
| 7 | Computer & Software | 349.90 | 179.09 | 197.60 | - | 331.39 |
| 8 | Electrical Installation | 1,189.78 | 61.15 | 124.00 | - | 1,126.93 |
| 9 | Tools & implements | 12.24 | 0.32 | 1.88 | - | 10.68 |
| 10 | Office Equipment | 415.77 | 78.79 | 68.95 | - | 425.61 |
| Total | | 12,144.77 | 1,687.31 | 1,564.51 | - | 12,267.57 |

| SI No. | Asset Class | Opening WDV as on 1st April, 2023 | Additions | Depreciation | Deletion | Closing WDV as on 31st March, 2024 |
|--------------|---------------------------|-----------------------------------|-----------------|-----------------|----------|------------------------------------|
| 1 | Freehold land & Structure | 192.15 | - | - | - | 192.15 |
| 2 | Leasehold Land(WBSIDCL) | 26.13 | 19.82 | 0.48 | - | 45.47 |
| 3 | Building | 208.99 | 1,602.62 | 162.57 | - | 1,649.04 |
| 4 | Plant & Machinery | 830.01 | 119.25 | 173.10 | - | 776.16 |
| 5 | Vehicles | 383.65 | - | 57.87 | - | 325.78 |
| 6 | Furniture & Fittings | 1,535.92 | 6,372.50 | 719.94 | - | 7,188.48 |
| 7 | Computer & Software | 373.43 | 185.92 | 209.45 | - | 349.90 |
| 8 | Electrical Installation | 225.96 | 1,072.89 | 109.07 | - | 1,189.78 |
| 9 | Tools & implements | 12.17 | 2.08 | 2.01 | - | 12.24 |
| 10 | Office Equipment | 371.95 | 111.44 | 67.62 | - | 415.77 |
| Total | | 4,160.36 | 9,486.52 | 1,502.11 | - | 12,144.77 |

Note 2.7(A) : Intangible Assets

| SI No. | Asset Class | Opening WDV as on 1st April, 2024 | Additions | Depreciation | Deletion | Closing WDV as on 31st March, 2025 |
|--------------|-------------------------|-----------------------------------|-----------------|---------------|----------|------------------------------------|
| 1 | Patent & Trade Mark | 206.87 | 134.96 | 75.65 | - | 266.18 |
| 2 | Brand | 62,365.87 | - | - | - | 62,365.87 |
| 3 | Website | 127.04 | - | 31.76 | - | 95.28 |
| 4 | Other Intangible assets | - | 1,775.49 | 221.94 | - | 1,553.55 |
| Total | | 62,699.78 | 1,910.45 | 329.35 | - | 64,280.88 |

| SI No. | Asset Class | Opening WDV as on 1st April, 2023 | Additions | Depreciation | Deletion | Closing WDV as on 31st March, 2024 |
|--------------|---------------------|-----------------------------------|---------------|--------------|----------|------------------------------------|
| 1 | Patent & Trade Mark | 170.97 | 98.78 | 62.88 | - | 206.87 |
| 2 | Brand | 62,365.87 | - | - | - | 62,365.87 |
| 3 | Website | - | 145.18 | 18.14 | - | 127.04 |
| | | | | | | |
| Total | | 62,536.84 | 243.96 | 81.02 | - | 62,699.78 |

Note 2.7.(A.1) : The LLP has intangible asset with indefinite lives comprising Brand of Rs. 62,365.87 lakhs recognised on reconstitution of the Limited Liability Partnership during the F.Y. 2021-22. In view of the management's assessment of business prospects and assessment on value in use based on independent valuation reports, no impairment is considered necessary on the Intangible Assets (Brand) as at March 31, 2025.

Note 2.7.(A.2) : Other Intangible assets capitalised during the year represents design development & other ancillary cost towards new product lines which shall be amortized over estimated useful life of 5 years.

Note 2.7(B) : Capital WIP

| SI No. | Asset Class | Opening Balance as on 1st April, 2024 | Additions | Capital assets written off | Transfer to PPE | Closing Balance as on 31st March, 2025 |
|--------------|--------------------------|--|-----------------|----------------------------|-----------------|---|
| 1 | Computer | - | 2.39 | - | 2.39 | - |
| 2 | Plant & Machinery | 94.77 | 221.39 | - | 134.80 | 181.36 |
| 3 | Building | 15.07 | 887.79 | - | 50.66 | 852.20 |
| 4 | Furniture | - | 1,009.06 | - | 669.06 | 340.00 |
| 5 | Office Equipment | - | 42.75 | - | 5.91 | 36.84 |
| 6 | Electrical Installations | - | 1,122.38 | - | 21.90 | 1,100.48 |
| Total | | 109.84 | 3,285.76 | - | 884.72 | 2,510.88 |

| SI No. | Asset Class | Opening Balance as on 1st April, 2023 | Additions | Capital assets written off | Transfer to PPE | Closing Balance as on 31st March, 2024 |
|--------------|--------------------------|--|-----------------|----------------------------|-----------------|---|
| 1 | Computer | 21.02 | 5.82 | - | 26.84 | - |
| 2 | Plant & Machinery | 530.35 | 280.52 | - | 716.10 | 94.77 |
| 3 | Building | 495.17 | 120.71 | 44.39 | 556.42 | 15.07 |
| 4 | Furniture | 3,661.05 | 999.14 | - | 4,660.19 | - |
| 5 | Office Equipment | 53.43 | 71.75 | - | 125.18 | - |
| 6 | Electrical Installations | - | - | - | - | - |
| Total | | 4,761.02 | 1,477.94 | 44.39 | 6,084.73 | 109.84 |

Note 2.7(C) : Intangible Assets under development

| SI No. | Asset Class | Opening Balance as on 1st April, 2024 | Additions | Intangible assets written off | Transfer to Intangible Assets | Closing Balance as on 31st March, 2025 |
|--------------|-------------------|--|--------------|----------------------------------|----------------------------------|---|
| 1 | Website | - | - | - | - | - |
| 2 | Computer Software | - | 50.48 | - | 29.41 | 21.07 |
| Total | | - | 50.48 | - | 29.41 | 21.07 |

| SI No. | Asset Class | Opening Balance as on 1st April, 2023 | Additions | Intangible assets written off | Transfer to Intangible Assets | Closing Balance as on 31st March, 2024 |
|--------------|-------------------|--|--------------|----------------------------------|----------------------------------|---|
| 1 | Website | 99.36 | 19.00 | - | 118.36 | - |
| 2 | Computer Software | - | - | - | - | - |
| Total | | 99.36 | 19.00 | - | 118.36 | - |

| | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| 2.2 : Non-Current Borrowings | | |
| Term Loan [Refer note: 2.2(a) to (d)] | 4,802.89 | 5,000.00 |
| | 4,802.89 | 5,000.00 |
| Less: Current Maturities of Long-Term Debt | 1,111.11 | 1,111.11 |
| | 3,691.78 | 3,888.89 |

- 2.2(a)** Term Loan from ICICI Bank amounting to Rs. 3889 lakhs (Sanction Amount : Rs. 5000 lakhs) is secured by:
a) first pari-passu charge on immovable property situated at Bishnupur (freehold factory land)
b) first pari-passu charge on fixed deposit (FD) of Rs. 200 lakhs
c) first pari-passu charge on moveable fixed assets of the company both present and future.
- 2.2(b)** Term Loan from Axis Bank amounting to Rs. 914 lakhs (Sanction amount Rs. 3500 lakhs) is secured by:
a) Pari-passu charge on moveable fixed assets of the company both present and future.
- 2.2(c)** The tenure of term loan from ICICI Bank is 6 years with 18 months moratorium. The repayment started from June 2024 and will end on September 2028. The repayment of principal amount to Rs. 277 lakhs will take place quarterly starting from June 2024. The Interest rate presently is 9% p.a. (1 year MCLR) and shall be charged monthly calculated on the outstanding principal amount.
- 2.2(d)** The tenure of term loan from Axis Bank is 5.5 years with 18 months moratorium. The repayment will start from October 2026 and ends on September 2030. The repayment of principal amount to Rs. 73 lakhs will take place monthly starting from October 2026. The Interest rate presently is 8.25% p.a (Repo +1.75% premium) and shall be charged monthly calculated on the outstanding principal amount.
- 2.2(e)** The LLP has not defaulted on any loans payable, and there has been no breach of any loan covenants.
- 2.2(f)** The LLP has registered all the applicable charges with Registrar of Companies within the statutory period.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| 2.3 : Short-term Borrowings | | |
| Current Maturities of Long-Term Debt (Refer Note 2.2) | 1,111.11 | 1,111.11 |
| Working Capital Demand Loan from Bank | 2,500.00 | 1,500.00 |
| Gold Metal Loan | - | 647.74 |
| Packing Credit Loan in Foreign Currency | 1,711.63 | |
| | 5,322.74 | 3,258.85 |

- 2.3(a)** Working Capital Facilities (including WCDL and Cash Credit) from ICICI Bank having sanction limit of Rs. 6,000 lakhs is secured by :
1. First pari-passu charge on all the current asset of the company both present and future
2. Second pari-passu charge on Immovable property situated at Bishnupur (freehold factory land)
3. Second pari-passu charge on moveable fixed assets of the company both present and future
4. Second pari-passu on fixed deposit of Rs. 200 lakhs
- 2.3(b)** Working Capital Facilities (including WCDL and Cash Credit) from Yes Bank having sanction limit of Rs. 2,500 lakhs is secured by hypothecation of entire current assets (both present and future)
- 2.3(c)** Working Capital Facilities (including WCDL and Cash Credit) from Axis Bank having sanction limit of Rs. 3,500 lakhs is secured by hypothecation of entire current assets (both present and future)
- 2.3(d)** The LLP has undrawn committed borrowings facilities available to the extent of Rs. 10,196 lakhs as on 31.03.2025 (PY Rs.8,890 lakhs)
* Rs. 500 lakhs (PY Rs. 500 lakhs) in case of ICICI Bank relates to Non fund based facility.
- 2.3(e)** Interest on Working capital facilities ranges from 8% - 9.50% p.a.
- 2.3(f)** The LLP has not defaulted on any loans payable, and there has been no breach of any loan covenants.
- 2.3(g)** The LLP has registered all the applicable charges with Registrar of Companies within the statutory period.

| | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| 2.4: TRADE PAYABLES | | |
| Total outstanding dues of micro enterprise and small enterprises (Refer Note: 2.4.(a)) | 762.13 | 909.20 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 4,043.58 | 2,926.01 |
| | 4,805.71 | 3,835.21 |

- 2.4(a)** Based on the information available with the LLP, following are the dues during the year to entities covered under Micro, Small and Medium Enterprises Development Act, 2006. The disclosure as required under the said Act is as under:

| Sl.No. | Particulars | As at 31st March, 2025 | As at 31st March, 2024 |
|--------|---|---------------------------|---------------------------|
| i) | Principal amount due to Micro and Small Enterprises | 747.24 | 895.49 |
| ii) | Interest due on the above | 14.89 | 13.71 |
| iii) | Any payment made to suppliers beyond appointed date (under Section 16 of the Act) | - | - |
| iv) | Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under MSMED Act | - | - |
| v) | Interest accrued and remaining unpaid as at 31st March | 14.89 | 13.71 |
| vi) | 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 MSMED Act, 2006. | - | - |

2.4.(b): Trade Payables Ageing Schedule

| Particulars | Outstanding as on March 31, 2025 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 | - | - | 762.13 | - | - | - | 762.13 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 616.72 | 1.28 | 3,169.25 | 207.09 | 49.25 | - | 4,043.58 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Total | 616.72 | 1.28 | 3,931.37 | 207.09 | 49.25 | - | 4,805.71 |

| Particulars | Outstanding as on March 31, 2024 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 | - | - | 873.83 | 6.92 | 5.78 | 22.67 | 909.20 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 735.80 | - | 2,117.97 | 26.81 | 1.82 | 43.61 | 2,926.01 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Total | 735.80 | - | 2,991.80 | 33.73 | 7.60 | 66.28 | 3,835.21 |

2.5: OTHER CURRENT LIABILITIES

| | As at 31st March, 2025 | As at 31st March, 2024 |
|--|---------------------------|---------------------------|
| Advance from Customers | 2,620.96 | 2,380.22 |
| Duties & Taxes Payable | 347.31 | 297.05 |
| Interest Accrued but not due | 10.57 | 7.50 |
| Employee related Liability | 734.63 | 593.19 |
| Capital Creditors | 353.45 | 457.70 |
| Security Deposit Payable | 67.64 | - |
| Franchisee Deposit refundable | 1,000.00 | 1,000.00 |
| Interest Payable on Income Tax | 55.00 | 58.88 |
| MTM Loss on Derivative Instruments payable | 0.46 | 6.09 |
| | 5,190.02 | 4,800.63 |

2.6: PROVISIONS

| | Long term (Rs.) | | Short term (Rs.) | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Provision for Employee Benefits | | | | |
| Gratuity (Refer Note 3) | 986.49 | 720.07 | 105.45 | 75.53 |
| Leave Encashment | 164.66 | 108.62 | 23.60 | 15.27 |
| Other Provisions | | | | |
| Provisions for Taxation (net of Advance Tax & TDS) | - | - | 702.07 | 321.32 |
| | 1,151.15 | 828.69 | 831.12 | 412.12 |

2.8: Investments

| | Non-Current (Rs.) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2025 | As at 31st March, 2024 |
| Investment in Equity Instruments (Unquoted, at cost) | | |
| In Subsidiary Company | | |
| Sabyasachi INC. (incorporated in United States of America) | 6,975.52 | 5,847.98 |
| [85,00,000 (March 31, 2024 : 72,00,000) equity shares of USD 1/- each] | | |
| | 6,975.52 | 5,847.98 |
| Book Value of Unquoted Investments | 6,975.52 | 5,847.98 |

2.8(a) The LLP has investments in equity shares aggregating to Rs.6,975.52 lakhs as at 31 March 2025 in it's wholly owned subsidiary Sabyasachi Inc., USA. Further, the LLP also has net recoverable amounts aggregating to Rs. 3,385.35 lakhs from Sabyasachi INC as at 31 March 2025 and also provided SBLC facility aggregating to Rs. 2,257.21 lakhs. Sabyasachi Inc. has incurred losses in the current as well as previous financial year. Management has performed an impairment assessment of its investment as required by Accounting Standard -28 "Impairment of Assets". In view of the management's assessment of business prospects and assessment on value in use based on independent valuation reports, no impairment is considered necessary on the investment and recoverable amounts in Sabyasachi Inc. as at March 31, 2025.

2.9: DEFERRED TAX ASSETS (NET)

| | As at 31st March, 2025 | As at 31st March, 2024 |
|---|---------------------------|---------------------------|
| Deferred Tax Assets arising on account of : | | |
| Provision for Employee Benefits | 447.36 | 321.30 |
| Provision for doubtful debts and advances | 3.76 | 24.34 |
| Others | 2.35 | 22.63 |
| Deferred Tax Assets (Net) | 453.47 | 368.27 |

2.10 : LOANS & ADVANCES

| | Long Term | | Short Term | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| Unsecured, considered good | | | | |
| Capital Advance | 247.65 | 22.67 | - | - |
| Advance Tax and TDS (net off provision for taxation) | - | 12.68 | - | - |
| Advance to Staff | - | - | 26.18 | 18.37 |
| Advance to Vendors for supply of goods & services | - | - | 715.42 | 780.04 |
| Balance with Government Authorities | - | - | 1,196.12 | 1,273.64 |
| Deposits against demand under disputes | 2.33 | 2.33 | - | - |
| Indirect Taxes Refundable | - | - | 22.32 | 16.43 |
| Prepaid Expenses | 77.31 | 138.63 | 646.44 | 109.72 |
| Advance to Partner | - | 109.32 | - | - |
| (A) | 327.29 | 285.63 | 2,606.48 | 2,198.20 |
| Unsecured, considered doubtful | | | | |
| Advance to Vendors for supply of goods & services | - | - | - | 25.86 |
| Less: Provision for Doubtful Advances | - | - | - | (25.86) |
| (B) | - | - | - | - |
| (A+B) | 327.29 | 285.63 | 2,606.48 | 2,198.20 |

2.11 : INVENTORIES

(At valued & certified by the Partner)

| |
|-----------------------------|
| Raw Materials & Accessories |
| Stores & Printing Materials |
| Packing Materials |
| Work in progress |
| Finished goods |
| - Apparels & Accesories |
| - Jewellery |
| - Artwork |

The above Inventories include the following :

- Stock lying with third parties
- Stock-in-transit

| As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|---------------------------|
| 1,273.66 | 1,494.85 |
| 4,593.91 | 3,858.08 |
| 308.90 | 452.50 |
| 4,054.88 | 3,670.72 |
| 4,494.83 | 4,090.67 |
| 11,223.32 | 10,595.56 |
| 2.45 | - |
| 25,951.95 | 24,162.38 |
| 263.34 | 117.72 |
| 31.65 | 81.54 |

2.11 (a) 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. 535.60 lakhs (Rs. 486.42 lakhs for March 31, 2024) has been recognised as an expense for slow and non-moving finished goods.

2.11 (b) The LLP based on policy approved by the management in current year has created further provision amounting to Rs. 409.57 lakhs (P.Y Rs. 1092.62 lakhs) for slow and non-moving inventories of different categories (Raw Material, Stores & Printing Materials and Packing Materials). The above amount has been charged to Statement of Profit & Loss under the head 'Cost of Materials Consumed'.

2.12 : TRADE RECEIVABLES

| |
|--------------------------------|
| Unsecured, considered good |
| Unsecured, considered doubtful |

Less: Provision for doubtful receivables

| As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|---------------------------|
| 3,259.07 | 3,486.14 |
| 10.74 | - |
| 3,269.81 | 3,486.14 |
| 10.74 | - |
| 3,259.07 | 3,486.14 |

2.12(a) :Trade receivables Ageing Schedule

| Particulars | Outstanding from due date of payment as on March 31, 2024 | | | | | | | Total |
|--|---|---------|-----------------|-------------------|-------------|-----------|-------------------|-----------------|
| | Unbilled | Not Due | Upto 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | | | |
| Considered good | - | - | 2,539.24 | 712.03 | 7.79 | - | - | 3,259.07 |
| Considered doubtful | - | - | - | 10.74 | - | - | - | 10.74 |
| Disputed | | | | | | | | |
| Considered good | - | - | - | - | - | - | - | - |
| Considered doubtful | - | - | - | - | - | - | - | - |
| Less:Provision for doubtful trade receivable | - | - | - | -10.74 | - | - | - | -10.74 |
| Total | - | - | 2,539.24 | 712.03 | 7.79 | - | - | 3,259.07 |

| 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 | - | - | 3,460.00 | 26.14 | - | - | - | 3,486.14 |
| Considered doubtful | - | - | - | - | - | - | - | - |
| Disputed | | | | | | | | |
| Considered good | - | - | - | - | - | - | - | - |
| Considered doubtful | - | - | - | - | - | - | - | - |
| Less:Provision for doubtful trade receivable | - | - | - | - | - | - | - | - |
| Total | - | - | 3,460.00 | 26.14 | - | - | - | 3,486.14 |

2.13 : CASH AND BANK BALANCES

2.13 (A) Cash and Cash Equivalents

Balances With Banks :

| |
|--|
| In Current & Cash Credit Accounts |
| Cheques/drafts on hand |
| Cash on hand (As certified by partner) |
| Prepaid Balance in Debit Card |

| As at 31st March, 2025 | As at 31st March, 2024 |
|---------------------------|---------------------------|
| 564.47 | 1,696.58 |
| 2.96 | 1.99 |
| 45.31 | 27.34 |
| 66.90 | 4.43 |
| 679.64 | 1,730.34 |

2.13 (B) Other Bank Balance

Fixed Deposit with Banks (With maturity period for more than 3 months to 12 months)

| | |
|-----------------|-----------------|
| 567.25 | 508.35 |
| 567.25 | 508.35 |
| 1,246.89 | 2,238.69 |

2.13(a) Fixed Deposits amounting to Rs. 21.35 lakhs as on March 31, 2025 (Previous year :Rs.13.52 lakhs) are held as margin money under lien to banks for Custom/Sales Tax.

2.13(b) Fixed Deposits with ICICI Bank amounting to Rs. 345.90 lakhs (Previous year : Rs. 294.83 lakhs & Rs.30.50 lakhs lying under Non-Current Assets) 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.

2.13(c) Fixed Deposits with ICICI Bank amounting to Rs. 200 lakhs (Previous year : Rs. 200 lakhs) are held as margin money against Term Loan from ICICI Bank. (Refer Note 2.2)

2.14 : OTHER ASSETS

Unsecured, considered good

| |
|---|
| Fixed Deposit with Banks |
| (With maturity period for more than 12 months) |
| Interest accrued on Fixed Deposits |
| Export Incentives Receivable |
| Other Receivables from Subsidiary |
| Accrued Income |
| Security Deposits |
| Other Receivables |

Unsecured, considered doubtful

| |
|---------------------------------------|
| Security Deposits |
| Less: Provision for Doubtful Deposits |

| Non-Current | | Current | |
|---------------------------|---------------------------|---------------------------|---------------------------|
| As at 31st March, 2025 | As at 31st March, 2024 | As at 31st March, 2025 | As at 31st March, 2024 |
| 7.21 | 44.22 | - | - |
| - | - | 2.06 | 2.10 |
| - | - | 0.86 | 7.10 |
| - | - | 435.36 | 91.08 |
| - | - | - | 11.06 |
| 1,734.20 | 1,132.96 | 160.24 | 203.09 |
| - | - | 6.06 | 23.77 |
| 1,741.41 | 1,177.18 | 604.59 | 338.20 |

2.14(a) Fixed Deposits amounting to Rs. 7.21 lakhs as on March 31, 2025 (Previous year :Rs. 13.72 lakhs) are held as margin money under lien to banks for Custom/Sales Tax.

| | For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--------------------------------|--|--|
| Sale of Products | | |
| Domestic Sales | 40,436.39 | 35,000.61 |
| Export Sales | 4,860.46 | 6,995.66 |
| Sale of Services | | |
| Design Services | 1,000.00 | 3,500.00 |
| Other services | 289.44 | 209.85 |
| Royalty Income | 16.45 | 34.59 |
| Other Operating Revenue | | |
| Export Incentives | 9.41 | 9.05 |
| Scrap Sales | 4.04 | - |
| License Fees | 16.33 | 16.18 |
| | 46,632.52 | 45,765.95 |

2.16: OTHER INCOME

| | For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--|--|--|
| Interest Income | | |
| - on Fixed Deposits from Banks | 34.63 | 25.76 |
| - on Security Deposits | - | 0.10 |
| Profit on Sale of Investment in Mutual Funds (Net) | 7.74 | - |
| Guarantee Commission Income | 27.80 | 31.19 |
| Gain on Foreign Exchange Fluctuation/Translation (Net) | 157.62 | 137.11 |
| Liability no longer required written back | 286.04 | 484.74 |
| Recovery of Expenses from Subsidiary (Net of Expenses) | 415.88 | 15.61 |
| Provision for Doubtful Deposits written back | 43.62 | - |
| Gain on Cancellation of Derivative Instruments (Net) | - | 3.01 |
| Discount Received | 1.51 | 0.19 |
| Miscellaneous Income | 10.89 | 56.28 |
| | 985.73 | 753.99 |

2.17 : COST OF MATERIALS CONSUMED

| | For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|---|--|--|
| (A) Raw Material (including Stores and Printing Materials) | | |
| Opening Stock | 5,352.93 | 7,272.34 |
| Add: Purchases | 11,819.88 | 7,306.55 |
| Freight Inward | 230.36 | 255.34 |
| | 17,403.17 | 14,834.23 |
| Less: Closing Stock | 5,867.57 | 5,352.93 |
| Raw Material Consumed (A) | 11,535.60 | 9,481.30 |
| (B) Packing Materials Consumed: | | |
| Opening Stock | 452.50 | 507.77 |
| Add: Purchases | 220.43 | 823.79 |
| | 672.93 | 1,331.56 |
| Less: Closing Stock | 308.90 | 452.50 |
| Packing Materials Consumed (B) | 364.03 | 879.06 |
| COST OF MATERIAL CONSUMED (A+B) | 11,899.63 | 10,360.36 |

2.18: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRES

| | For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|----------------------|--|--|
| Opening Stock | | |
| Finished Goods | 14,686.23 | 14,300.22 |
| Work in Progress | 3,670.72 | 3,332.44 |
| | 18,356.95 | 17,632.66 |
| Closing Stock | | |
| Finished Goods | 15,720.60 | 14,686.23 |
| Work in Progress | 4,054.88 | 3,670.72 |
| | 19,775.48 | 18,356.95 |
| | (1,418.53) | (724.29) |

2.19: EMPLOYEE BENEFIT EXPENSES

Salary, Bonus and Staff Incentives
Partners Remuneration
Contribution to Provident Funds and ESI
Gratuity (Refer Note 3)
Staff Welfare
SAR Expenses

| For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--|--|
| 8,279.37 | 8,275.23 |
| 119.32 | 422.36 |
| 363.86 | 358.37 |
| 337.56 | 245.99 |
| 308.65 | 211.71 |
| 1.86 | - |
| 9,410.62 | 9,513.66 |

2.20 : FINANCE COST

Interest Expenses
on Term Loan from Bank
on Working Capital Facilities from Bank
on Packing Credit Loan in Foreign Currency
on Income Tax
on Others
Other Borrowing Cost
Fair Valuation (Gain)/Loss on Gold Metal Loan

| For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--|--|
| 370.14 | 450.35 |
| 440.61 | 534.42 |
| 28.30 | - |
| 55.00 | 63.01 |
| 4.53 | 2.23 |
| 77.76 | 51.94 |
| 976.34 | 1,101.95 |

2.21 : DEPRECIATION & AMORTIZATION EXPENSE

Depreciation on Property, Plant & Equipment
Amortization of Intangible Assets

| For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--|--|
| 1,564.51 | 1,502.11 |
| 329.35 | 81.02 |
| 1,893.85 | 1,583.13 |

2.22 : 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
Auditor's Remuneration
Freight, Clearing and Forwarding Charges
Repair and maintenance
Security expenses
Housekeeping charges
Rates and taxes
Insurance
Telephone, Internet Charges & Website Expenses
Printing and stationary
Bad debts written off
Sundry Balances written off
Less: Provision for Doubtful deposits/advances
Provision for Doubtful Debts/Deposits/Advances
Capital assets written off
Employee Support Charges
Loss on Derivative Instruments (including Mark to market loss)
Miscellaneous expenses

| For the period 1st April 2024 to 31st March 2025 | For the period 1st April 2023 to 31st March 2024 |
|--|--|
| 3,160.19 | 2,154.73 |
| 653.81 | 526.06 |
| 2,532.73 | 2,602.96 |
| 1,397.56 | 1,130.72 |
| 454.98 | 341.47 |
| 3,661.46 | 3,304.98 |
| 955.67 | 963.84 |
| 382.63 | 335.79 |
| 2,151.26 | 1,437.18 |
| 34.65 | 30.31 |
| 463.48 | 402.53 |
| 691.10 | 667.07 |
| 230.41 | 218.78 |
| 315.39 | 259.41 |
| 313.54 | 792.53 |
| 258.13 | 81.86 |
| 89.91 | 49.49 |
| 43.13 | 42.48 |
| 11.15 | - |
| 132.25 | |
| -25.84 | |
| 106.41 | 109.52 |
| 10.74 | 69.67 |
| - | 44.39 |
| 730.53 | 515.77 |
| 29.47 | 6.09 |
| 690.53 | 719.77 |
| 19,368.86 | 16,807.40 |

3 EMPLOYEE BENEFITS AS PER AS-15 (Revised):

i) **Defined Contribution Plan :**

The firm's contribution to Provident Fund and Employees State Insurance are charged to the Statement of Profit & Loss of the year when the contribution to the respective funds are due. The firm has no obligations other than the contributions payable to the respective funds.

| PARTICULARS | For the period 1st April 2024 to 31st March, 2025 | For the period 1st April 2023 to 31st March, 2024 |
|--|---|---|
| Contribution to Provident Fund | 323.58 | 308.45 |
| Contribution to Employee State Insurance | 40.28 | 49.92 |

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 LLP will evaluate its position as clarity emerges.

ii) **Defined Benefit Plans :**

The disclosures based on AS-15(revised) related to present value of defined obligation and related current cost measured using the Projected Unit Credit Method as at the Balance Sheet Date for financial year ended 31st March, 2025 is given below :

Unfunded defined benefit plan

a) **Net benefit expense recognised through the Statement of Profit and Loss**

| Particulars | For the Year 1 April 2024 to 31 Mar 25 | For the Year 1 April 2022 to 31 Mar 23 |
|---|--|--|
| Current service cost | 129.08 | 104.55 |
| Interest cost on defined benefit obligation | 56.70 | 44.89 |
| Actuarial (gain) / Loss | 151.78 | 96.56 |
| Total | 337.56 | 245.99 |

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

| Particulars | As at 31-Mar-25 | As at 31-Mar-24 |
|---|-----------------|-----------------|
| Opening defined benefit obligation | 795.60 | 601.21 |
| Current Service Cost | 129.08 | 104.55 |
| Interest cost on defined benefit obligation | 56.70 | 44.89 |
| Actuarial (gain)/ loss | 151.78 | 96.56 |
| Benefits paid | (39.27) | (52.62) |
| Transfer In / (Out) | (1.95) | 1.01 |
| Closing defined benefit obligation | 1,091.94 | 795.60 |

c) **Amounts recognised in the Balance Sheet**

| Particulars | As at 31-Mar-25 | As at 31-Mar-24 |
|---|-----------------|-----------------|
| Present value of the defined benefit obligation at the end of the year: | | |
| Unfunded | 1,091.94 | 795.60 |
| Net liability | 1,091.94 | 795.60 |
| Net liability is classified as follows: | | |
| Current | 105.45 | 75.53 |
| Non- Current | 986.49 | 720.07 |
| Net Liability | 1,091.94 | 795.60 |

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

| Particulars | As at 31-Mar-25 | As at 31-Mar-24 |
|--------------------------------|----------------------|----------------------|
| Financial Assumptions | | |
| Discount Rate | 6.65% | 7.15% |
| Salary Escalation Rate | 8.50% | 7.00% |
| Demographic Assumptions | | |
| Mortality Rate | IALM (2012-14) Table | IALM (2012-14) Table |
| Withdrawal Rate | 10.61% | 8.20% |
| 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.

iii) 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 CompanyLLP 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.

4 **Contingent Liabilities & Capital Commitments**

| PARTICULARS | As At 31st March, 2025 | As At 31st March, 2024 |
|--|------------------------|------------------------|
| a) Contingent Liabilities not provided for : | | |
| Income Tax | - | - |
| Bank Guarantee* | 13.17 | 15.78 |
| Guarantee given to foreign bank in respect of SBLC facility of USD 26,37,500 to be availed by M/s Sabyasachi Inc. (Loan Outstanding as at 31st March, 2025 - Rs. 1,591.28 lakhs (P.Y. Rs. 2,436.08 lakhs)) | 2,257.21 | 3,750.12 |
| Goods and Services Tax | 1,082.77 | 19.40 |
| Total | 3,353.15 | 3,785.30 |

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

| PARTICULARS | As At 31st March, 2025 | As At 31st March, 2024 |
|--|------------------------|------------------------|
| b) Capital Commitments: | | |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 544.55 | 3,287.28 |
| Total | 544.55 | 3,287.28 |

5 **Related Party Disclosures as per Accounting Standard – 18.**

(a) Related Parties:

| | |
|---|--|
| (1) Entities which exercises control | M/s. Aditya Birla Fashion and Retail Ltd. ("ABFRL") |
| (2) Key Managerial Personnel (KMP) | Mr. Sabyasachi Mukherjee, Partner Mr. Jagdish Bajaj ,Partner Miss. Sunita Bangard, Partner Mr. Sunny Kumar Jain, Partner Mr. Ashish Dikshit (Managing Director, ABFRL) |
| (3) Fellow Subsidiaries/ Joint Venture | Jaypore E-Commerce Private Limited Jaypore Inc., 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) Pratayaya E-commerce Private Limited (w.e.f. July 22nd, 2022) Awesomelab 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) Imperial Online Services Private Limited TCNS Clothing Co. Ltd. (w.e.f. September 26,2023) CLI Footwear & Accessories Pvt Ltd. (w.e.f. September 12,2023) Styleverse lifestyle Private Limited (w.e.f. October 20,2023) |
| (4) Enterprise over which KMP along with Relatives exercise control | M/s Aditya Birla Management Corporation Private Limited |
| (5) Enterprise over which the LLP exercises control | M/s Sabyasachi Inc. USA (Wholly Owned Subsidiary) |

(b) Transactions with Related Parties:

| PARTICULARS | F.Y. 2024-25 | F.Y. 2023-24 |
|--|--------------|--------------|
| <u>Partner's Remuneration / Salary</u> | | |
| Mr. Sabyasachi Mukherjee | 119.32 | 422.36 |
| <u>Capital Introduction</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | - | |
| Mr. Sabyasachi Mukherjee | - | |
| <u>Sales of goods</u> | | |
| Mr. Sabyasachi Mukherjee | 48.99 | 8.51 |
| Mr. Sunny Kumar Jain | 6.39 | |
| M/s Aditya Birla Management Corporation Private Limited | 18.13 | 6.31 |
| M/s. Sabyasachi Inc. | 3,249.43 | 5,253.53 |
| M/s. Aditya Birla Fashion and Retail Ltd. | - | 8.43 |
| <u>Sale of Services</u> | | |
| M/s Aditya Birla Management Corporation Private Limited | 0.05 | 0.34 |
| Mr. Sabyasachi Mukherjee | 0.29 | - |
| <u>Recovery of Expenses</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | 4.50 | - |
| M/s. Sabyasachi Inc. | 415.88 | 15.61 |
| <u>Guarantee Commission Income</u> | | |
| M/s. Sabyasachi Inc. | 27.80 | 31.19 |
| <u>Employee Support Charges / Corporate Overhead Allocation</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | 730.91 | 460.29 |
| <u>Reimbursement of Expenses (Custom Duty, Marketing Expenses etc.)</u> | | |
| M/s. Sabyasachi Inc. | 1,085.52 | 1,045.20 |
| <u>Purchase of Goods</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | - | 5.96 |
| <u>Stitching and alteration charges</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | - | 6.50 |
| <u>Sales Promotion Expenses</u> | | |
| Jaypore E-Commerce Private Limited | 1.39 | 0.52 |
| <u>Investment in Equity Shares</u> | | |
| M/s. Sabyasachi Inc. | 1,127.54 | 1,828.97 |

SABYASACHI CALCUTTA LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to financial statements for the year ended 31st March, 2025
(All amounts Rs. in lakhs unless otherwise stated)

| Balance Outstanding | As At 31st March, 2025 | As At 31st March, 2024 |
|---|---------------------------|---------------------------|
| <u>Investment in Equity Shares</u> | | |
| M/s. Sabyasachi Inc. | 6,975.52 | 5,847.98 |
| <u>Trade Receivables</u> | | |
| M/s. Sabyasachi Inc. | 3,028.70 | 3,400.32 |
| Mr. Sunny Kumar Jain | 3.50 | - |
| Mr. Sabyasachi Mukherjee | 31.97 | - |
| M/s Aditya Birla Management Corporation Private Limited | - | 0.21 |
| <u>Others Receivable</u> | | |
| M/s. Sabyasachi Inc. | 435.36 | 91.08 |
| <u>Advance from Customer</u> | | |
| M/s Aditya Birla Management Corporation Private Limited | 17.09 | - |
| <u>Advance given</u> | | |
| Mr. Sabyasachi Mukherjee | - | 109.32 |
| <u>Trade Payable</u> | | |
| M/s. Aditya Birla Fashion and Retail Ltd. | 793.57 | 46.00 |
| M/s. Sabyasachi Inc. | 78.72 | 384.28 |

6 Segment Reporting as per Accounting Standard: 17

The LLP's business activity primary falls within a single business segment i.e. "Readymade Garments & Apparels, Accessories and Jewellery". Hence, as per the management no separate information is required to be disclosed in this Financial Statements.

7 Leases

i) Operating Lease: LLP as a lessee

Certain showrooms, factory and office premises are held on operating lease. The lease terms are for varied periods and are renewable for further periods either mutually or at the option of the Company. There are no restrictions imposed by lease agreements. The leases are cancellable.

| PARTICULARS | F.Y. 2024-25 | F.Y. 2023-24 |
|-----------------------------|--------------|--------------|
| Lease payments for the year | 2,532.73 | 2,602.96 |

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-25 | 31-Mar-24 |
| Within one year | 3,137.63 | 1,530.16 |
| After one year but not more than five years | 11,272.81 | 8,630.75 |
| More than five years | 21,099.50 | 10,545.41 |
| Total | 35,509.94 | 20,706.33 |

8 a) Unhedged Foreign Currency Exposure

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

| Particulars | As at 31-03-2025 | | As at 31-03-2024 | |
|--|------------------|--------------|------------------|--------------|
| | Foreign Currency | Rs. in lakhs | Foreign Currency | Rs. in lakhs |
| <u>Financial Assets</u> | | | | |
| Trade & Other Receivables - USD | 34,81,665 | 2,979.66 | 20,000 | 16.67 |
| Less : Allowance for doubtful debts | -12,555 | 10.74 | | |
| Net Trade & Other Receivables | 34,69,110 | 2,990.40 | 20,000 | 16.67 |
| <u>Financial Liabilities</u> | | | | |
| Packing Credit Foreign Currency Loan | 20,00,000 | 1,711.63 | - | - |
| Trade Payables - USD | 6,03,855 | 516.79 | 2,75,947 | 230.07 |
| Trade Payable- EURO | 1,03,585 | 95.63 | 787 | 0.71 |
| Trade Payable - GBP | 10 | 0.01 | 130 | 0.14 |
| Trade Payable - AED | 1,339 | 0.31 | - | - |

b) Hedged Foreign Currency Exposure

| Particulars | As at 31-03-2025 | | As at 31-03-2024 | |
|--|------------------|---------------|------------------|-----------------|
| | Foreign Currency | Rs. in lakhs | Foreign Currency | Rs. in lakhs |
| <u>Derivative Assets</u> | | | | |
| Forward contract against trade receivables-USD | 5,81,117 | 497.33 | 31,35,137 | 2,613.45 |
| Net exposure in foreign currency (Financial Assets-Financial Liabilities) USD | 5,81,117 | 497.33 | 31,35,137 | 2,613.45 |

SABYASACHI CALCUTTA LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to financial statements for the year ended 31st March, 2025
(All amounts Rs. in lakhs unless otherwise stated)

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

The accompanying notes & schedules are an integral part of the Financial Statements
As per our Report of even date annexed

For Singhi & Co.
Chartered Accountants
Firm Registration Number - 302049E

ANKIT DHELIA
Digitally signed by ANKIT DHELIA
Date: 2025.05.21 20:47:41 +05'30'

(Ankit Dhelia)
Partner
Membership Number - 069178

Place : Kolkata
Date: 21st May, 2025

For and on behalf of Sabyasachi Calcutta LLP

JAGDISH PRASAD BAJAJ
Digitally signed by JAGDISH PRASAD BAJAJ
Date: 2025.05.21 19:22:40 +05'30'
(Mr. Jagdish Bajaj)
(Designated Partner)
DIN -08498055

SUNNY KUMAR JAIN
Digitally signed by SUNNY KUMAR JAIN
Date: 2025.05.21 18:59:59 +05'30'
(Mr. Sunny Kumar Jain)
(Designated Partner)
DPIN -07168511

DOLLY ROY
Digitally signed by DOLLY ROY
Date: 2025.05.21 18:33:59 +05'30'
(Dolly Roy)
Chief Finance Officer

M/s Sabyasachi CALCUTTA LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to financial statements for the period 1st April 2024 to 31st March, 2025

1. LLP Information

Sabyasachi Calcutta LLP ("the LLP / Firm"), a Limited Liability Partnership domiciled in India and incorporated under the provisions of the Limited Liability Partnership Act, 2008 ("the Act") by conversion from a partnership firm, M/s Sabyasachi Couture w.e.f February 4, 2021. The registered office of the LLP is located at 80/2 Topsia Road (South) Kolkata -700046, West Bengal, India.

The LLP is engaged in the business of manufacturing and retailing of apparels, accessories and jewelleryes under the Brand Name "Sabyasachi" and also provides fashion designing services.

1A. Significant Accounting Policies

a) Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with historical cost convention, on accrual basis, in accordance with the generally accepted accounting principles in India including the applicable Accounting Standards. The financial statements also comply with the provisions of The Limited Liability Partnership Act, 2008 and LLP Agreement entered by the partners as amended from time to time. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous periods by the erstwhile Partnership firm.

b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

c) Fixed assets (PPE & Intangible Assets) and Depreciation /Amortization

Fixed Assets:

- i) Fixed assets except Brand, Freehold & Leasehold Land are stated at their Written Down Value. Additions to Fixed Assets during the year under audit have been capitalized at cost of acquisition including incidental expenses net of grants/subsidies, if any.
- ii) Freehold Land has been stated at cost. Leasehold Land has been stated at cost (including stamp duty, mutation fee, registration charges etc.) less accumulated amortization.
- iii) Profits or losses on sale of fixed assets are included in the Profit and Loss Account and calculated as difference between the value realized and book value.
- iv) Capital work-in-progress and Intangible assets under development is stated at cost.

Depreciation / Amortization:

- i) Depreciation on Fixed Assets (including Intangible Assets) is provided on written down value basis in accordance with the rates prescribed under Income Tax Act 1961.
- ii) Leasehold Land is amortized on straight line basis over the period of lease.
- iii) Brand Value: Indefinite life, not to be amortised

d) Investments: -

Investments that are readily realizable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value is determined on individual basis. Long term investments are carried at cost. However, provision for diminution in value made to recognize a decline (other than temporary) in the value of investments.

M/s Sabyasachi Calcutta LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to financial statements for the period 1st April 2024 to 31st March, 2025

e) Inventories: -

- i) Raw Materials including stores, packing & printing materials are valued at lower of cost and net realizable value. However, raw materials and other items held for use in the production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. Cost of all raw & other materials is determined on an overall weighted average basis rather than specific identification.
- ii) Work-in-progress and Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour cost (including job work charges) and a proportion of production overheads based on normal operating capacity.
- iii) Jewelleries are valued at lower of cost and net realizable value. Jewelleries procured from outside vendors are valued at purchase cost ascertained under specific identification method. Cost of In-house jewelleries includes direct material and labour cost (including job work charges) and a proportion of production overhead.

Net realizable 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 firm based on provision matrix creates suitable provision for slow and non-moving finished goods, work in progress and raw materials considering the nature of fast changing business of fashion industry in which it operates.

f) Foreign Currency Transactions: -

- i) Foreign currency transactions are recorded at the rate of exchange prevailing on the dates when the relevant transactions take place.
- ii) Year end balances of foreign currency transactions outstanding at the year-end are translated at exchange rates prevailing at the end of the year.
- iii) Any income or expense on account of exchange difference either on settlement or translation is recognized in the profit and loss account.

g) Revenue Recognition:-

- i) Revenue from sale of goods is recognized when all the significant risk and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The LLP collects Goods and Service Tax (GST) on behalf of the Government and therefore, these are not economic benefits flowing to the Firm. Hence, they are deducted from revenue.
- ii) Income from Designing services are recognized as per the agreed terms & conditions of the contract.
- iii) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.
- iv) All other items of income and expenditure are accounted for on accrual basis.

h) Employee Benefits:

- i) Short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.
- ii) Contribution to Provident Fund as defined contribution scheme is made at the prescribed rates to the Provident Fund Commissioner and it is charged to the Statement of Profit & Loss. There are no other obligations other than the contribution payable.
- iii) Expenses related to Post-employment benefits being Gratuity is recognized in the Statement of Profit & Loss for the year in which the employee has rendered service. The expense is recognized at the present value of amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post-employment benefits are charged to the Statement of Profit & Loss.

M/s SABYASACHI CALCUTTA LLP (formerly Sabyasachi Couture)
LLPIN - AAV-7132
Notes to financial statements for the period 1st April 2024 to 31st March, 2025

i) Borrowing Costs:

Borrowing costs relating to acquisition / construction of qualifying asset are capitalized until the time all substantial activities necessary to prepare the qualifying asset for its intended use is complete. A qualifying asset is one which necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to statement of profit & loss.

j) Leases :

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases. The related expenses is charged to the statement of profit & loss.

k) Taxes on Income :

Current tax comprise of Income tax represents the amount that would be payable based on computation of tax as per taxation laws under the Income Tax Act, 1961.

Deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets / liabilities are reviewed as at each Balance Sheet date based on developments during the year and available case laws, to reassess realization / liabilities.

l) Impairment of Assets:

An impairment loss is recognized where applicable when the carrying value of fixed assets exceeds its market value or value in use whichever is higher. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased.

m) Provisions and Contingent Liabilities:

The Firm recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.