



APAS & CO LLP
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of Kashida Apparels Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kashida Apparels Private Limited** ("the Company"), which comprise the Balance Sheet as at 31-March-2023, the Statement of Profit and Loss for the period **29-June-2022 to 31-March-2023** (including other comprehensive income), the Statement of changes in equity and the Cash Flow Statement for the period then ended, and a summary of the significant accounting policies and other explanatory information ("here in after referred to as the financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view, in conformity with the Accounting Standards specified under section 133 of the Act, read with (the Companies (Indian Accounting Standards) Rules, 2015) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31-March-2023, its loss (including other comprehensive income), the changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statement.

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

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



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

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

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

The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



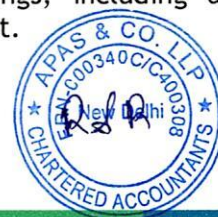
As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of

- not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- 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 standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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



We also provide the Board of Directors 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.

Report on Other Legal and Regulatory Requirements

1. Based on our audit, we report that the Company has not paid or provided for any managerial remuneration during the period. Accordingly, reporting under section 197(16) of the Act is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
3. Further to our comments in Annexure 1, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31-March-2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31-March-2023 and operating effectiveness of such controls, refer to our separate Report in "Annexure 2" wherein we have expressed an unmodified opinion; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31-March-2023;



- ii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31-March-2023;
- iii. a) The management has represented that, to the best of its knowledge and belief, on the date of this audit report, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- iv. The Company has not declared or paid any dividend during the period ended 31-March-2023.

For APAS & Co. LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308



Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395
UDIN:

Place: New Delhi
Date: 26th May 2023

Annexure 1 referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Kashida Apparels Private Limited ("the Company") on the standalone financial statements for the period 29-06-2022 to 31-03-2022

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (B) The Company does not have any intangible assets. Accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable to the Company.
 - (b) The Company has a regular program of physical verification of its property, plant and equipment under which the assets are physically verified in a phased manner every period, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, property, plant and equipment were verified during the period and no material discrepancies were noticed on such verification.
 - (c) The Company does not own any immovable property (including investment properties) (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment during the period.
 - (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not have inventory. Accordingly, reporting under clause 3(ii) of the Order is not applicable to the Company.
 - (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the period. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
 - (iii) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the period. Accordingly, reporting under clause 3(iii) of the Order with respect to these, is not applicable to the Company.
 - (iv) The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.



- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the period-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) above that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of account.
- (ix) (a) According to the information and explanations given to us, no repayments were due in respect of loans or borrowings or taken by the Company and the Company has not defaulted in repayment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not utilized funds raised on short term basis for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the period. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.



- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the period. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the period.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules, 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.
- (xiv) According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash loss of Rs.30.49 lakh during the current period. Further, the Company has been incorporated during the period.
- (xviii) There has been no resignation of the statutory auditors during the period. Accordingly, reporting under clause 3 (xviii) of the Order is not applicable to the Company.



- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates realization of assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135 (1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. Accordingly, reporting under clause 3 (xx) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxii) is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For APAS & Co. LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395
UDIN:



Place: New Delhi
Date: 26th May 2023

Annexure 2

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Kashida Apparels Private Limited ('the Company') as at and for the period 29-June-2022 to 31-March-2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31-March-2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For APAS & Co. LLP
Chartered Accountants
Firm's Registration No.: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395
UDIN:

Place: New Delhi
Date: 26th May 2023



KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Balance Sheet as at 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)*

Particulars	Notes	As at 31 March 2023
Assets		
Non-current assets		
Property, plant and equipment	3A	853.31
Capital work-in-progress	3B	132.36
Right of use asset	3A	92.91
Financial assets		
(i) Other financial assets	4	0.01
Income tax asset	5	0.03
Other non-current assets	6	10.63
Total non-current assets		1,089.25
Current assets		
Financial assets		
Cash and cash equivalents	7	88.83
Other financial assets	8	16.57
Other current assets	9	4.22
Total current assets		109.62
Total assets		1,198.87
Equity and Liabilities		
Equity		
Equity share capital	10	1.00
Other equity	11	(31.94)
Total equity		(30.94)
Non-current liabilities		
Financial liabilities		
(i) Borrowings	12	1,145.02
(ii) Lease liabilities	25	81.25
Total non-current liabilities		1,226.27
Current liabilities		
Financial liabilities		
(i) Trade payables	13	
a) Total outstanding dues of micro enterprises and small enterprises		-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2.76
Other current liabilities	14	0.78
Total current liabilities		3.54
Total equity and liabilities		1,198.87

The accompanying notes form an integral part of these standalone financial statements

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

For APAS & CO LLP

Chartered Accountants

Firm Registration Number: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan

Partner

Membership No. 535395

Place: Delhi

Date: 26th May 2023

For and on behalf of the Board of directors of
Kashida Apparels Private Limited*Siddharath Bindra*

Siddharath Bindra

Director

(DIN : 01680498)

Ramit Pal Singh

Director

(DIN : 07136822)

Place: Gurugram

Date: 26th May 2023



KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Statement of Profit & Loss for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)*

Particulars	Notes	Period ended 31 March 2023
Income		
Other income		-
Total income		-
Expenses		
Employee benefits expense	15	0.35
Finance Cost	16	23.59
Depreciation and amortisation expenses	17	1.45
Other expenses	18	6.55
Total expenses		31.94
Loss before tax		(31.94)
Tax expense		-
- Current tax		-
Loss after tax		(31.94)
Other comprehensive income		-
Total comprehensive income for the period		(31.94)
Earnings per share (face value of ₹ 10 per share)	19	
Basic		(319.40)
Diluted		(319.40)

The accompanying notes form an integral part of these standalone financial statements

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

For APAS & CO LLP

Chartered Accountants

Firm Registration Number: 000340C/C400308

**Rajeev Ranjan**

Partner

Membership No. 535395

**For and on behalf of the Board of directors of
Kashida Apparels Private Limited**
Siddharath Bindra
Director
(DIN : 01680498)**Ramit Pal Singh**

Director

(DIN : 07136822)

Place: Delhi

Date: 26th May 2023

Place: Gurugram

Date: 26th May 2023



KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Statement of cash flows for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

Particulars	Period ended 31 March 2023
A Cash flow from operating activities :	
Loss before tax	(31.94)
Adjustments for:	
Depreciation and amortisation	1.45
Finance charges	23.59
Operating profit before working capital changes	(6.90)
Movement in working capital	
(Increase)/ decrease in financial assets and other current assets	(26.00)
Increase/(decrease) in other liabilities	0.78
Increase/(decrease) in trade payables	2.76
Cash flow from operating activities post working capital changes	(29.36)
Income tax paid (net)	(0.03)
Net cash flow from operating activities (A)	(29.39)
B Cash flow from investing activities :	
Purchase of property, plant and equipment (including capital advances)	(997.62)
Net cash flow (used in) investing activities (B)	(997.62)
C Cash flow from financing activities :	
Proceed from long-term borrowing	1,145.02
Proceeds from issuance of equity shares	1.00
Finance cost	(22.49)
Payment of lease liabilities	(6.59)
Payment of interest portion of lease liabilities	(1.10)
Net cash flow (used in) financing activities (C)	1,115.84
D) Increase/(decrease) in cash and cash equivalents (A+B+C)	88.83
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	88.83
Components of cash and cash equivalents (refer note 7):	
Balance scheduled banks in current accounts	88.83

Reconciliation of financial liabilities arising from financing activities:

Particulars	Non-current borrowings	Lease liabilities
Add: lease liabilities created on new leases entered during the year	-	87.84
Add: interest expense	22.49	1.10
Cash inflows/outflows:		
Add: loan disbursed	1,122.67	-
Less: Interest paid	(0.14)	-
Less: payment of lease liabilities	-	(7.69)
Closing balance as at 31 March 2023	1,145.02	81.25

The accompanying notes form an integral part of these standalone financial statements

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

For APAS & CO LLP

Chartered Accountants

Firm Registration Number: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan

Partner

Membership No. 535395

Place: Delhi

Dated:



For and on behalf of the Board of directors of

Kashida Apparels Private Limited

Sudharath Bindra
Sudharath Bindra
Director
(DIN : 01680498)

Ramit Pal Singh

Director

(DIN : 07136822)

Place: Gurugram

Date: 26th May 2023



KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Statement of changes in equity for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

A Equity share capital

Particulars	Share capital
Addition during the period	1.00
Balance as at 31 March 2023	1.00

B Other Equity

Particulars	Retained earnings
Loss for the period	(31.94)
Balance as at 31 March 2023	(31.94)

The accompanying notes form an integral part of these standalone financial statements

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

For APAS & CO LLP

Chartered Accountants

Firm Registration Number: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan

Partner

Membership No. 535395

Place: Delhi

Date: 26th May 2023



For and on behalf of the Board of directors of
Kashida Apparels Private Limited

Siddharath Bindra

Siddharath Bindra

Director

(DIN : 01680498)

Place: Gurugram

Date: 26th May 2023

Ramit Pal Singh

Director

(DIN : 07136822)



KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)***3A Property, plant and equipment**

Particulars	Leasehold land	Office equipment	Computer	Furniture & fixtures	Total	Right of use asset
Gross carrying amount						
Additions	851.03	2.56	0.23	0.81	854.63	93.04
Disposals	-	-	-	-	-	-
At 31 March 2023	851.03	2.56	0.23	0.81	854.63	93.04
Accumulated depreciation						
Depreciation charge for the period	1.25	0.01	0.01	0.05	1.32	0.13
Disposals	-	-	-	-	-	-
At 31 March 2023	1.25	0.01	0.01	0.05	1.32	0.13
Net carrying amount						
At 31 March 2023	849.78	2.55	0.22	0.76	853.31	92.91

3B Capital work-in-progress

Particulars	Buildings
Additions	132.36
Transfer to property, plant and equipment	-
Balance at 31 March 2023	132.36

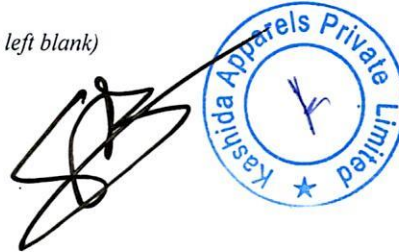
Capital work-in-progress ageing schedule

Projects in progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
At 31 March 2023	132.36	-	-	-	132.36

(i) Contractual obligations

Refer note 29 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(ii) Property, plant and equipment have been pledged as security for liabilities, for details refer note 25.

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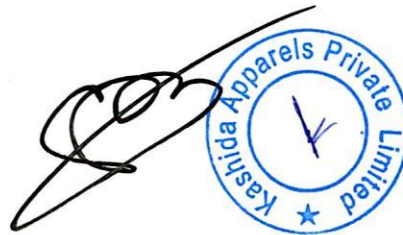
KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

13th Floor, Capital Cyberscape Sector-59, Golf course extension road, Gurugram, Haryana 122102

Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)*

Particulars	As at 31 March 2023
Non current assets	
4 Other financial assets	
Security deposit	0.01
	0.01
5 Income tax asset	
Tax collected at source receivable	0.03
	0.03
6 Other non-current asset	
Capital advances	10.63
	10.63
Current assets	
7 Cash & cash equivalents	
Balance with scheduled banks:	
- with scheduled banks in current accounts	88.83
	88.83
8 Other financial assets	
<i>(unsecured, considered good)</i>	
<i>At amortised cost</i>	
Security deposits	16.57
	16.57
9 Other current assets	
<i>(unsecured, considered good)</i>	
Balances with government authorities	2.03
Imprest for expenses	1.00
Prepaid expenses	1.19
	4.22



KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)*

Particulars	As at 31 March 2023
10 Equity share capital	
Authorized share capital	
10,000 Equity shares of ₹10 each	1.00
	<u>1.00</u>
Issued, subscribed & paid up:	
10,000 Equity shares of ₹10 each, fully paid up	1.00
	<u>1.00</u>

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

	No. of shares
Add : Shares issued during the period	10,000
Equity shares at the end of the period	<u>10,000</u>

b) Details of shareholders holding more than 5% of the shares of the Company as at 31 March 2023

Name of the shareholder	No. of equity shares & % Holding
BIBA Fashion Limited (the holding company)	9,999 (99.99%)

Shares held by promoters as at 31 March 2023

Promoter Name	No. of shares at the end of the period*	% of Total Shares
BIBA Fashion Limited	9,999	99.99%
Mr. Siddharath Bindra (Nominee shareholder)	1	0.01%

There has been no changes since incorporation.*c) Terms and rights attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 10 each. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

d) The Company has neither issued any bonus shares nor has there been buy back of shares since its incorporation.**11 Other equity****Deficit in the statement of profit and loss**

Add: loss for the period

Balance at the end of the period

(31.94)

(31.94)

KASHIDA APPARELS PRIVATE LIMITED

CIN: U18100HR2022PTC104802

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

Particulars	As at 31 March 2023
Non current liabilities	
12 Borrowings	
Secured	
Term loan from bank	127.17
Unsecured	
From related party	1,017.85
	1,145.02

For secured loan from Axis bank limited

(i) Details of security

- a) Exclusive charges over the plant & machinery and all other movable fixed assets of the Company both present and future
- b) Exclusive charges over the land and building situated at Jetapur, Indore
- c) Exclusive charges on current assets of the company both present and future
- d) Unconditional & irrevocable corporate guarantee of BIBA Fashion Limited ("the holding company") for 100% of the facility.

(ii) Rate of Interest

Repo rate plus 2.25%

(iii) Repayment terms

Repayable in 32 quarterly instalments after a moratorium of 28 months

(iv) Purpose of loan

For setting up of factory to manufacture readymade garments in Jetapur, Madhya Pradesh.

For unsecured loan from BIBA Fashion Limited

(i) Rate of Interest

Fixed simple interest of 9% on reducing balance method

(ii) Repayment terms

Fully repayable in 3 years

(iii) Purpose of loan

To purchase leasehold land and setting up of factory to manufacture readymade garments in Jetapur, Madhya Pradesh.

Current liabilities

13 Trade payables

- Total outstanding dues of micro enterprises and small enterprises	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	2.76
	2.76

Trade payable ageing schedules

Particular	March 31, 2023
(i) Other than Micro Enterprises and Small Enterprises	
Outstanding for the following periods from the due date of payments	
- Unbilled	0.50
- Less than 1 Year	2.26
Total	2.76

14 Other current liabilities

Statutory dues payable	0.78
	0.78



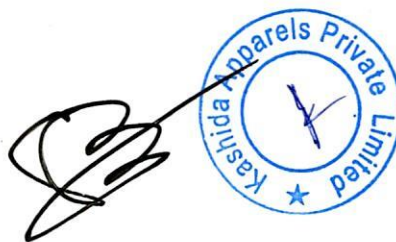
KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)*

Particulars	Period ended 31 March 2023
15 Employee benefits expense	
Staff welfare expenses	0.35
	0.35
16 Finance cost	
Interest on	
- term loans	0.14
- loan from holding company	22.35
- lease liabilities	1.10
	23.59
17 Depreciation and amortisation expenses	
Depreciation on property, plant and equipment	1.32
Amortisation of right-of-use assets	0.13
	1.45
18 Other expenses	
Rent and maintenance charges	0.19
Bank charges	4.63
Legal and professional	0.22
Repairs and maintenance - Others	0.11
Security expenses	0.17
Travelling and conveyance	0.34
Preliminary expenses	0.28
Payment to auditors	
- as statutory auditors	0.50
Miscellaneous expenses	0.11
	6.55
19 Earning per share	
Net Loss attributable to equity shareholders	
Loss after tax	(31.94)
Nominal value of equity share (₹)	10.00
Total number of equity shares	10,000
Weighted average number of equity shares (nos.)	10,000
Basic earnings per share (₹)	(319.40)
Diluted earnings per share (₹)	(319.40)



KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)***21 Financial instruments by category****(i) Fair value hierarchy**

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. There were no transfers between level 1 and level 2, and no transfers into and out of level 3 fair value measurements.

(ii) Financial assets and liabilities measured at fair value - recurring fair value measurements

There were no assets and liabilities carried at fair value as at 31 March 2023

(iii) Valuation technique used to determine fair value

Fair value of swap contracts is determined using forward rate at balance sheet date, based on dealer or counterparty quotes for similar instruments.

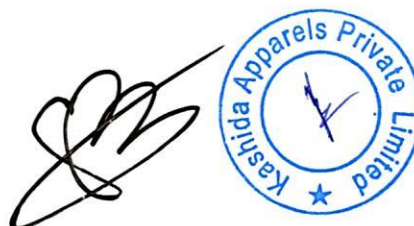
(iv) Fair value of instruments measured at amortised cost

Particulars	Level	As at 31 March 2023	
		Carrying value	Fair value
Financial assets			
Other financial assets	Level 3	16.58	16.58
Total financial assets		16.58	16.58
Financial liabilities			
Borrowings	Level 3	1,145.02	1,145.02
Total financial liabilities		1,145.02	1,145.02

For cash and cash equivalents, trade payables and other current financial liabilities the management assessed that their fair value is approximate their carrying amounts largely due to the short-term maturities of these instruments.

22 Financial risk management**(i) Financial instruments by category**

Particulars	As at 31 March 2023	
	FVTPL	Amortised cost
Financial assets		
Trade receivables	-	-
Cash and cash equivalents	-	88.83
Other financial assets	-	16.58
Total financial assets	-	105.41
Financial liabilities		
Trade payables	-	2.76
Borrowings	-	1,145.02
Lease liabilities	-	81.25
Total financial liabilities	-	1,229.03



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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)***ii) Risk Management**

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is carried out as per the policies approved by the board of directors. The board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

A) Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the company. The Company's maximum exposure to credit risk is limited to the carrying amount of following types of financial assets.

- cash and cash equivalents,
- other financial assets

Credit risk management**(i) Credit risk rating**

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk

B: Moderate credit risk

C: High credit risk

The Company provides for expected credit loss based on the following:

Categorisation of items	Asset group	Provision for expenses credit loss
Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	Low credit risk	12 month expected credit loss/life time expected credit loss

Assets under credit risk –

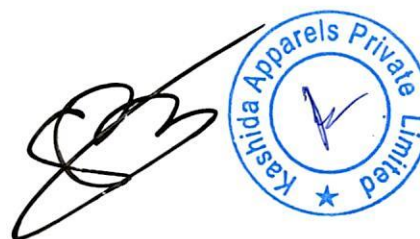
Credit rating	Particulars	31 March 2023
A: Low credit risk	Cash and cash equivalents	88.83
	Other financial assets	16.58

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country

Other financial assets measured at amortised cost

Other financial assets measured at amortized cost includes security deposits. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.



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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)***b) Credit risk exposure***Other financial assets measured at amortised cost*

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses. Since this category includes loans and receivables of varied natures and purpose, there is no trend that the company can draw to apply consistently to entire population. For such financial assets, the Company's policy is to provide for 12 month expected credit losses upon initial recognition and provides for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature.

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

a) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2023
Borrowing (term loan)	4,252.83

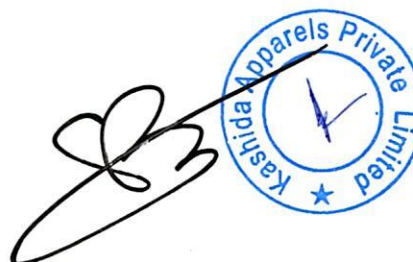
Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2023	Less than 1 year	1-2 year	More than 2 year	Total
Non-derivatives				
Borrowings	-	1,017.85	127.17	1,145.02
Trade payables	2.76	-	-	2.76
Lease liabilities (including interest)	-	-	81.25	81.25
Total	2.76	1,017.85	208.42	1,229.03

C Market Risk**a) Foreign currency risk**

The Company does not have any foreign currency forward exchange contracts to hedge its risks associated with fluctuations in foreign currencies relating to foreign currency borrowings. There are no outstanding derivatives contracts and Company is not exposed to foreign currency risk exposure as on 31 March 2023.



KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

b) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At 31 March 2023, the Company is exposed to changes in market interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2023
Variable rate borrowing	127.17
Fixed rate borrowing	1,017.85
Total borrowings	1,145.02

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	As at 31 March 2023
Interest sensitivity*	
Interest rates – increase by 50 basis points	(0.64)
Interest rates – decrease by 50 basis points	0.64

* Holding all other variables constant

ii) Assets

The Company does not have any fixed deposits. Therefore, is not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

23 Capital management

Risk management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	As at 31 March 2023
Total borrowings	1,145.02
Less cash and cash equivalent	88.83
Net debt	1,056.19
Total equity	(30.94)
Net debt to equity ratio	NA

24 Assets pledged as security

Particulars	As at 31 March 2023
Non current assets	
Property plant and equipment	853.31
Capital work-in-progress	132.36
Current assets	
Cash & cash equivalents	88.83
Other financial and other current assets	20.79
Total assets pledged as security	1,095.29



KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

25 Leases

(a) The Company has entered into a lease agreement for the land, for which a right-of-use asset and a lease liability are reflected on the balance sheet. The lease term for land is for a period of ninety-nine years. The lease is further renewable on the expiry of the total lease term subject to the mutual consent of both parties.

(b) **Right to use assets**

Particulars	As at 31 March 2023
Add: additions on account of right of use created on leasehold land	
Less: amortisation expense charged on the right-of-use assets	
Balance at the end of the period	-

(c) **Lease liabilities are presented in the statement of financial position as follow:**

Particulars	As at 31 March 2023
Current	-
Non-current	81.25
Total	81.25

(d) The table below describe the nature of leasing activities by type of right of use asset recognised on balance sheet

Right of use asset	Remaining term
Leasehold Land situated at Jetapur, Madhya Pradesh	99 years

(e) **The lease liabilities are secured by the related underlying asset. Future minimum lease payment at 31 March 2023 were as follows:**

Particulars	Within 1 year	1-2 year	2-3 year	3-4 year	4-5 year	after 5 year	Total
Lease payment	7.69	7.69	7.69	7.69	7.69	708.42	746.87
Less: Finance charges	7.69	7.69	7.69	7.69	7.69	627.17	665.62
Net present values	-	-	-	-	-	81.25	81.25

(f) **There are no other lease payments which were not recognised as a liability.**

(g) The total cash outflow for leases for the period ended 31 March 2023 was ₹ 7.78 lakhs

(h) **The following are amount recognised in the statement of profit and loss**

Particulars	For the period ended 31 March 2023
Amortisation expense charged on the right-of-use assets	-
Interest expense on lease liabilities	1.10
Less: Rent and maintenance charges	(1.10)
Net loss/(profit) recognised in the statement of profit & loss	(0.00)



KASHIDA APPARELS PRIVATE LIMITED

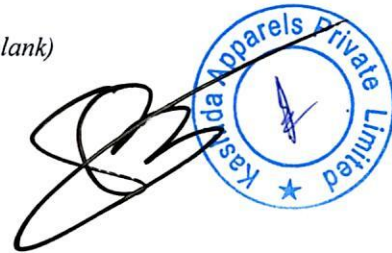
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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023*(All amounts in ₹ lakh unless otherwise stated)***26 Ratio Analysis and its elements**

Particulars	Numerator	Denominator	31 March 2023
Current ratio	Current Assets	Current Liabilities	30.97
Debt- Equity Ratio	Total Debt	Shareholder's Equity	NA
Debt Service Coverage ratio	Earnings for debt service = Net profit after Tax+ Depreciation+ Deferred tax+ Interest+ lease rentals	Debt service = Interest & Lease Payments + Principal Repayments	NA
Return on Equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	NA
Inventory Turnover ratio	Cost of goods sold	Average Inventory	NA
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	NA
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	NA
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax liability	NA
Return on Investment	Interest (Finance Income)	Investment	NA

* Most of the ratios are not applicable to the Company as the Company has not commenced its operations yet

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KASHIDA APPARELS PRIVATE LIMITED

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Summary of significant accounting policies and other explanatory information to the financial statements for the period 29 June 2022 to 31 March 2023

(All amounts in ₹ lakh unless otherwise stated)

27 Contingent liabilities

There are no contingent liabilities as at 31 March 2023.

28 Capital and other commitments

Particulars	As at 31 March 2023
Estimated amounts of contracts remaining to be executed on Capital Account and not provided for (Net of advances)	56.63

29 Segment reporting

There is no business during the period ended 31 March 2023. Therefore, there are no reportable segments.

30 Reconciliation of quarterly bank submissions

The Company has not obtained any working capital borrowings during the period ended 31 March 2023. Hence, there is no such requirement of the submission of quarterly returns to the bank

31 Other Statutory Information as at/ for the period ended 31 March 2023

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with struck-off companies.
- The Company has not traded or invested in Crypto currency or Virtual Currency.
- The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

32 This is the first year of operations. Therefore, there are no corresponding figures to be presented.

For APAS & CO LLP

Chartered Accountants

Firm Registration Number: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan

Partner

Membership No. 535395

Place: Delhi

Date: 26th May 2023

For and on behalf of the Board of directors of

Kashida Apparels Private Limited

Siddharath Bindra

Director

(DIN : 01680498)

Ramit Pal Singh

Director

(DIN : 07136822)

Place: Gurugram

Date: 26th May 2023



Kashida Apparels Private Limited

Summary of significant accounting policies and other explanatory information to the financial statements for the 29 June 2022 to 31 March 2023

1. Corporate Information

Nature of Operation

Kashida Apparels Private Limited (“the Company”) is a private limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is primarily engaged in the business of manufacturing of garments, providing design and related consultancy services.

General information and statement of compliance with Ind AS

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.

2. Summary of significant accounting policies

a) Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

Basis of preparation

The Standalone financial statements of the Company comprise the standalone Balance Sheet as at 31 March 2023 and the Statement of Profit and Loss, the standalone Cash Flow Statement, the Standalone Changes in Equity and Notes forming part of the Standalone financial statements for the period ended 31 March 2023 (hereinafter collectively referred to as “Standalone financial statements”).

The financial statements have been prepared on going concern basis under the historical cost basis except certain financial assets which are measured at fair value. The Standalone financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

b) Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- All other assets are classified as non-current.



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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

c) Property, Plant and Equipment

Recognition and initial measurement

Properties plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, and any cost attributable to bringing the assets to its working condition and intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred. Capital expenditure incurred on rented properties is classified as 'Leasehold improvements' under fixed assets.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the Written down value method except Leasehold land on which depreciation is provided on straight line method computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Companies Act, 2013:

Asset category	Estimated useful life (in years)
Computers/Data processing equipment	3
Office Equipment	5
Furniture & Fixtures	10
Plant & Machinery	15
Leasehold Land	Amortized over 99 years

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset, calculated as



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the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

d) Fair value measurement of financial instruments

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

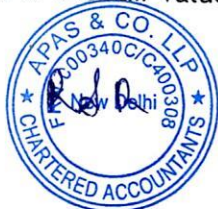
The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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



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e) Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the statement of profit and loss.

f) Cash and cash equivalents

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

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in borrowings under financial liabilities in the balance sheet.

g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (f) Revenue recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of



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principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

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

- ▶ Financial assets at amortised cost (debt instruments)
- ▶ Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- ▶ Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- ▶ Financial assets at fair value through profit or loss

Financial instruments at amortised cost - the financial instrument is measured at the amortised cost if both the following conditions are met:

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

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

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

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



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When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (Loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings

De-recognition of financial liabilities

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



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liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Swap contracts

A forward contract is recognised as an asset or a liability on the commitment date. Outstanding forward contracts as at reporting date are using the mark to market information and resultant gain/(loss) is accounted in statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider -

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.



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ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Company uses default rate for credit risk to determine impairment loss allowance on portfolio of its trade receivables.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the Standalone financial statements of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone financial statements of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

i) Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-tax Act and in the overseas branches/companies as per the respective tax laws. Current income tax relating to items recognised outside profit or loss is recognised either in other comprehensive income or in equity.

Deferred income taxes are calculated using the liability method. Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting



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date. Deferred tax relating to items recognised outside statement of profit and loss is recognised either in OCI or in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities

j) Contingent liabilities, provisions and contingent assets

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- present obligation, where a reliable estimate cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefits is probable, related asset is disclosed.

k) Earnings per share

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

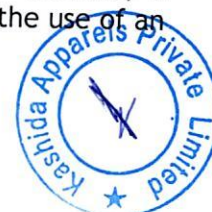
For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary, interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

m) Leases

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



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Company as a Lessee

Right-of-Use (ROU) assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method.

Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

n) **Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures.

Significant management judgements

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

Evaluation of indicators for impairment of assets - The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors, which could result in deterioration of recoverable amount of the assets.

Recoverability of advances/receivables - At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Provisions - At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding warranties and guarantees. However, the actual future outcome may be different from this judgement.



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Useful lives of depreciable/amortised assets - Management reviews its estimate of the useful lives of depreciable/amortised assets at each reporting date, based on the expected utility of the assets.

Leases - Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations.

