

INDEPENDENT AUDITOR'S REPORT

To
The Members
Sai Silks (Kalamandir) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Sai Silks (Kalamandir) Limited** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at **March 31, 2024**, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash flow statement for the year then ended, and notes to the Standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) 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 Standalone 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made



thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

Sl. No	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Inventories valuation and existence: (Refer Note 2(o) and 8 to the standalone financial statements)</p> <p>The Company has Inventories of Rs. 723.22 Crores as at March 31, 2024 as detailed in Notes 8 to the standalone financial statements. Inventories valuation and existence has been determined to be a key audit matter as inventories may be held for long periods of time before being sold making it vulnerable to obsolescence. This could result in an overstatement of the value of the inventories if the cost is higher than the net realisable value. Furthermore, the assessment and application of inventories provisions are subject to significant management judgment.</p>	<p>Our procedures included, but was not limited to the following:</p> <ul style="list-style-type: none"> • Obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to inventory valuation and existence. • Observed the physical verification of inventories count at the financial year end and assessed the adequacy of controls over the existence of inventories. • Obtained assurance over the appropriateness of management's assumptions applied in calculating the gross profit margin and discounts to be deducted from sales price to arrive at cost of goods. • Evaluated management judgment with regards to the application of provisions to the inventories. <p>Our Conclusion: Based on the above procedures, we did not identify any significant deviation to the assessment made by management in respect of inventories valuation and existence.</p>



Emphasis of Matter

We draw your attention to the followings forming part of the financial statements without modifying our opinion in respect of:

- i. Note No: 37(a)(5), regarding Search and seizure of operations in the premises was conducted in May 2023, by income tax department under section 132 of Income Tax Act, 1961. Information and documents submitted to income tax department as per information called from time to time. Scrutiny proceedings are in progress and as on date neither income tax demand determined nor levied consequent to such operations.
- ii. Note no.38,39 of Notes forming part of accounts for the period ended 31st March 2024 which describes balance of trade receivables and trade payables are subject to confirmation/reconciliation and consequential adjustment, if any.

Our opinion is not modified in respect of these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder Information but does not include the standalone financial statements and our Auditor's Report thereon. The other information as identified above is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read those documents including Annexures, if any thereon, if we conclude that there is a material misstatement therein, we shall communicate the matter to those charged with the governance.



Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone 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 Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 standalone 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 Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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



influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that;
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the relevant rules issued thereunder.
 - e) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March,



2024 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure -A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial control with reference to the Standalone financial statements.
- g) With respect to the other matters to be included in the auditor’s report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.

- h) 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:
 - a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 37 to the financial statements
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d.
 - i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:



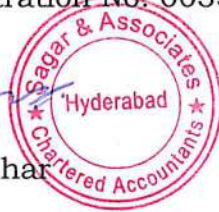
- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), 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 ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like form or on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d)(ii) contain any material mis-statement.
- e. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31st March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- f. According to the information and explanations given to us, the Company has not declared or paid any Dividend during the year



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 "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Sagar & Associates**
Chartered Accountants

Firm's Registration No: 003510S



CA. D. Manohar
Partner

Membership No.029644

UDIN:24029644BKDH DU7510

Place: Hyderabad

Date: 24.05.2024

“Annexure – A” to the Independent Auditors’ Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sai Silks (Kalamandir) Limited of even date)

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

We have audited the internal financial controls over financial reporting of Sai Silks (Kalamandir) Limited (“the Company”) as of March 31st, 2024 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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



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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 **Sagar & Associates**
Chartered Accountants

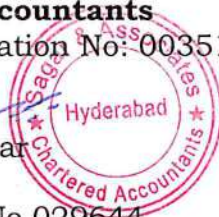
Firm's Registration No: 003510S



CA. D. Manohar
Partner

Membership No.029644

UDIN: 24029644BKDH DU7510



Place: Hyderabad

Date: 24.05.2024

“Annexure – B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sai Silks (Kalamandir) Limited of even date)

- i. (a) (A) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment including details of Right of Use Assets covered under Ind AS 116 “Lease”.

(B) The Company has generally maintained proper records showing full particulars of Intangible assets.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and equipment by which all the Property, Plant and equipment are physically verified by the management. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of fixed assets. In accordance with this program, certain Property, Plant and equipment were verified during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions of the Clause 3 (i) (d) of the Order are not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.



(ii) (a) The inventory has been physically verified by the management during the year. In our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No material discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company of the respective quarters.

(iii)

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year

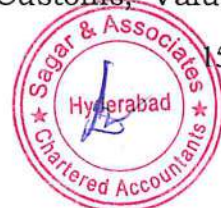
(A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company do not have any subsidiaries, joint ventures and associates. Accordingly, no balance outstanding as on 31st March 2024.

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any advances in the nature of loans or security to any other entity during the year. Accordingly, no balance outstanding as on 31st March 2024.

Accordingly, clause 3(iii) (b) to (f) of the order is not applicable.



- (iv) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits in accordance with the provisions of the Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, clause 3(v) of the order is not applicable.
- (vi) According to the information and explanations given to us, Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products traded/dealt by it (and or services provided by it). Accordingly, provisions of sub-section (1) of section 148 of the Companies Act, 2013 not applicable.
- (vii) (a) According to the information and explanation given to us and on the basis of our examination of the records the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services Tax ('GST'), provident fund Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanation given to us, no undisputed amounts payable in respect of GST, provident fund, Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of GST, provident fund, employees State Insurance, Income- tax, Sales tax, Service tax, Duty of Customs, Value



added tax, Cess or other statutory dues which have not been deposited by the Company on accounts of disputes.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the Tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, clause 3 (ix) (a) of the order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that funds have been raised on short-term basis, prima facie, not been used during the year for long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the Company has no subsidiaries as defined under the Companies Act, 2013. Accordingly, Clause 3(ix) (e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has no subsidiaries as defined under the Companies Act, 2013.



Accordingly, Clause 3(ix) (f) of the order is not applicable.

- (x) (a) During the year under review, the Company has raised moneys by way of initial public offer. The moneys raised were applied for the purposes for which those are raised.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully of partly convertible debentures during the year Accordingly, Clause 3(x) (b) of the order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in standards on auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, no whistle blower complaints have been received by the Company during the year under review.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company, Accordingly, Clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financials statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal



audit system commensurate with the size and nature of its business.

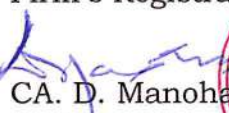
- (b) We have considered the internal audit reports of the company for the year under audit.
- (xv) In our opinion and according to the information and explanations given us, the Company has not entered in to any non-cash transactions with its directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (a) of the order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (b) of the order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, Clause 3(xvi) (c) of the order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any Core Investment Company, accordingly, the requirements of Clause 3(xvi) (d) are not applicable.
- (xvii) The company has not incurred cash losses in the current and in the immediately preceding financial year. Accordingly, provisions of Clause 3 (xvii) of the Order are not applicable.
- (xviii) There has been no resignation of the statutory auditors during the year, accordingly, Clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the

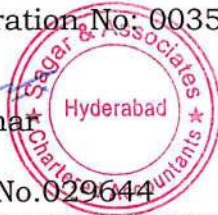


Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the Balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the Company has spent the amount required as per Section 135 (5) of the Companies Act, 2013 during the financial year. Accordingly, Clauses 3(xx)(a) and 3(xx)(b) are not applicable to the Company.

The Company has no subsidiaries as on 31st March 2024. As such Clause 3(xxii) of the order is not applicable.

For **Sagar & Associates**
Chartered Accountants
Firm's Registration No: 003510S

CA. D. Manohar
Partner
Membership No. 029644
UDIN: 24029644BKDH DU7510



Place: Hyderabad
Date: 24.05.2024

Sai Silks (Kalamandir) Limited
Financial Statements
Balance Sheet as at March 31, 2024

(All amounts are in INR Crores, except otherwise stated)

Particulars	Note No.	As at Mar 31, 2024	As at Mar 31, 2023
ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	3	222.00	204.71
(b) Capital work-in-progress	3	2.27	(0.00)
(c) Other Intangible assets	4	3.32	5.47
(d) Right-of-use assets	5(a)	188.69	169.29
(e) Financial assets			
(i) Other financial assets	6	31.83	27.65
(f) Other non-current assets	7	18.45	8.61
		466.56	415.73
2 Current assets			
(a) Inventories	8	723.22	689.75
(b) Financial assets			
(i) Trade receivables	9	3.31	2.88
(ii) Cash and cash equivalents	10	44.27	4.61
(iii) Bank balances other than (ii) above	11	357.37	45.09
(iv) Loans	12	20.69	34.40
(v) Other financial assets	13	3.95	0.89
(c) Other current assets	14	22.27	27.10
		1,175.08	804.72
Total Assets		1,641.64	1,220.45
EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	15	29.47	24.06
(b) Other equity	16	1,033.47	373.27
		1,062.94	397.33
2 Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	22.62	65.38
(ii) Lease liabilities	5(b)	192.29	166.38
(iii) Other financial liabilities	18	2.59	2.70
(b) Provisions	19	5.93	4.64
(c) Deferred tax liabilities (Net)	20	10.22	11.48
		233.65	250.58
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	235.13	280.12
(ii) Lease liabilities	5(c)	14.19	14.04
(iii) Trade payables	22	-	3.40
-Due to micro, small and medium enterprises		59.22	226.62
-Others		29.13	31.81
(iv) Other financial liabilities	23	6.28	3.81
(b) Other current liabilities	24	0.72	0.54
(c) Provisions	25	0.38	12.20
(d) Current tax liabilities (Net)	26		
		345.05	572.54
Total equity and liabilities		1,641.64	1,220.45

Corporate information and Material Accounting policies 1 & 2. The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For and on behalf of the board

For SAGAR & ASSOCIATES

Chartered Accountants


CA. D. Manohar
 Partner

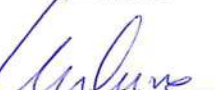
Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 24-05-2024


Ch.N.K.D. Prasad
 Managing Director
 DIN : 01929166


K V L N Sarma
 Chief Financial Officer


Annam Kalyan Srinivas
 Whole Time Director
 DIN : 02428313


M K Bhaskara Teja
 Company Secretary



Sai Silks (Kalamandir) Limited

Statement of Profit and loss for the period ended March 31, 2024

(All amounts are in INR Crores, except otherwise stated)

	Particulars	Note No.	Year ended Mar 31, 2024	Year ended Mar 31, 2023
	INCOME			
I	Revenue from operations	27	1,373.55	1,351.47
II	Other income	28	23.48	7.45
III	Total Income (I+II)		1,397.03	1,358.92
	EXPENSES			
IV	(a) Purchases of stock-in-trade	29	848.56	1,035.61
	(b) Changes in inventories	30	(33.89)	(212.99)
	(c) Employee benefit expense	31	164.63	140.84
	(d) Finance costs	32	52.87	45.41
	(e) Depreciation and amortization expense	33	47.91	41.01
	(f) Other expenses	34	182.27	175.47
	Total expenses (IV)		1,262.35	1,225.35
V	Profit before exceptional items and tax (III-IV)		134.68	133.57
VI	Exceptional Items		-	-
VII	Profit before tax (V-VI)		134.68	133.57
VIII	Tax expense:			
	(a) Current Tax		33.81	35.98
	(b) Deferred Tax		36.29	36.82
	(c) Short/ (Excess) provision of earlier years	20	(1.29)	(0.98)
			(1.19)	0.14
IX	Profit for the year (VII-VIII)		100.87	97.59
X	Other Comprehensive Income			
	A) Items that will not be reclassified to profit or loss			
	a) Remeasurements of the defined benefit plans	43(f)	0.11	(1.23)
	b) Income tax relating to Items that will not be reclassified to profit or loss	20	(0.03)	0.31
	Other comprehensive income for the year, net of tax		0.08	(0.92)
XI	Total comprehensive income for the year (IX+X)		100.95	96.67
XII	Earnings per equity share	35		
	(a) Basic earnings per share of ₹ 2/- each		7.51	8.11
	(b) Diluted earnings per share of ₹ 2/- each		7.51	8.11

Corporate information and Material Accounting policies 1 & 2. The accompanying notes are an integral part of the financial statements

As per our audit report of even date

For SAGAR & ASSOCIATES

Chartered Accountants

CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 24-05-2024

For and on behalf of the board

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

K V L N Sarma

Chief Financial Officer

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

M K Bhaskara Teja

Company Secretary

Sai Silks (Kalamandir) Limited
Statement of Cash flows for the period ended March 31, 2024

(All amounts are in INR Crores, except otherwise stated)

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
A) Cash Flows from Operating Activities		
Net profit before tax and exceptional items	134.68	133.57
Adjustments for :		
Amortisation of Right to use asset	24.11	20.28
Unwinding of discount on security deposits (net)	16.72	13.88
Actuarial gain / loss	0.11	(1.23)
Depreciation on property, plant and equipment	21.66	18.58
Impairment loss on windmill (refer note 3(iv))	-	-
Amortisation on intangible assets	2.14	2.15
Unrealized foreign exchange (gain)/ loss	0.03	0.19
(Profit)/ Loss on sale of Property, Plant and Equipment	(0.02)	(0.01)
Other Income	(5.09)	(5.00)
Interest expense	51.83	43.21
Interest income	(16.56)	(1.66)
Operating profit before working capital changes	229.61	223.96
Adjustments for working capital changes in :		
Inventories	(33.47)	(213.32)
Trade Receivables	(0.42)	(0.99)
Other current financial and non financial asset	15.48	(26.98)
Trade payables	(170.80)	100.90
Other current liabilities	2.47	1.38
Other financial liabilities	(3.28)	6.44
Other financial and non-financial non-current assets	(15.48)	(8.20)
Long-term provisions	1.29	2.12
Other non-current financial liabilities	(0.11)	1.58
Short term provisions	0.18	0.29
Cash generated from operations	25.47	87.18
Income tax paid	(46.93)	(45.95)
Cash Flow Before Exceptional items	(21.46)	41.23
Extra Ordinary Items	-	-
Net Cash generated from/(used in) operating activities	(21.46)	41.23
B) Cash flows from Investing Activities		
Sale/ (Purchase) of Property, Plant and Equipment/CWIP	(41.20)	(60.11)
(incl. capital advances)	(312.28)	(6.69)
(Increase)/ Decrease in Deposits	16.56	1.66
Interest income	5.09	5.00
Other income		
Net Cash generated from/(used in) Investing Activities	(331.83)	(60.14)
C) Cash flows from Financing Activities		
Proceeds from issue of Share Capital/ Share Application Money	564.66	-
Proceeds/ (repayment) from or of Long-term borrowings	(42.76)	16.72
Increase/ (Decrease) in Short-term borrowings	(44.99)	68.29
Increase/ (Decrease) in Payable to IPO Exp / Selling Share Holders	0.60	-
Principal payment of lease liability	(32.71)	(26.78)
Interest paid and effect of foreign exchange	(51.85)	(43.33)
Net Cash Flow from/(used in) Financing Activities	392.95	14.90
Net change in cash and cash equivalents (A + B + C)	39.66	(4.01)
Cash and Cash equivalents at the beginning of the year	4.61	8.62
Cash and Cash equivalents at the end of the year (refer note 10)	44.27	4.61

As per our audit report of even date

For and on behalf of the board

For SAGAR & ASSOCIATES

Chartered Accountants

CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 24-05-2024

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

K.V.L.N.Sarma

Chief Financial Officer

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

M K Bhaskara Teja

Company Secretary

Statement of changes in equity

(All amounts are in INR Crores, except otherwise stated)

a. Equity share capital

Particulars	Notes	Amount
Balance as at March 31, 2022	15	24.06
Changes in equity share capital due to prior period errors		-
Restated balance as at April 01, 2022		-
Changes in equity share capital during the period		1.20
Treasury Stock*		(1.20)
Balance as at March 31, 2023	15	24.06
Balance as at March 31, 2023 (Incl. Treasury Stock)		25.26
Changes in equity share capital due to prior period errors		-
Restated balance as at April 01, 2023		-
Changes in equity share capital during the period		5.41
Treasury Stock*		(1.20)
Balance as at Mar 31, 2024	15	29.47

b. Other equity

Particulars	Notes	Reserves and surplus		Total Equity
		Securities premium	Retained Earnings	
Balance as at March 31, 2023	16	34.36	338.91	373.27
Profit for the year (Net)		-	100.87	100.87
Issue of equity shares		594.59	-	594.59
Other comprehensive income for the year		-	0.08	0.08
Provision for IPO Expenses		(35.34)	-	(35.34)
Treasury Stock*		-	-	-
Balance as at Mar 31, 2024	16	593.61	439.86	1,033.47

* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

As per our audit report of even date

For and on behalf of the board

For SAGAR & ASSOCIATES

Chartered Accountants



CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 24-05-2024

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

K V L N Sarma

Chief Financial Officer

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

M K Bhaskara Teja

Company Secretary



Material Accounting policies

Note 1: Corporate information

M/s Sai Silks (Kalamandir) Limited ("The Company") was incorporated under the Companies Act, 1956 in Hyderabad on 03-Jul-2008 presently the CIN is L52190TG2008PLC059968. The Company is engaged in the business of buying and selling of textile and textile articles as a Retailer in the name and style of "Kalamandir", "Varamahalakshmi", "Mandir" and "KLM Fashions" in the state of Telangana, Andhra Pradesh, Karnataka and Tamil Nadu.

Note 2: Summary of Material Accounting policies

This note provides a list of the Material Accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis for preparation

The Standalone financial statements presented herein reflect the company's result of operations, assets and liabilities, statement of changes in equity and cash flows as at and for the period ended March 31, 2024.

The Standalone financial statements of the company have been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. The accounting policies followed in the preparation of the Standalone financial statements are consistent with those followed in the preparation of Financial statements as at and for the year ended March 31, 2023.

(b) Statement of Compliance

These financial statement of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.



Material Accounting policies**(c) Use of estimates and judgement**

The preparation of financial statement in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statement. The actual outcome may diverge from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(i) Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

(ii) Fair value of financial assets and liabilities and investments:

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

(iii) Provisions and contingent liabilities :

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

(d) Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statement are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(e) Revenue Recognition

a) **Sale of goods:** Revenue from the sale of goods is recognized at the point in time when control over the goods sold is transferred to the customer. Revenue is measured based on the transaction price, which is the consideration, net of discounts, variable considerations, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

b) **Interest income:** Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

c) **Service Income -** Service income is recognized on rendering of services based on the agreements / arrangements with the concerned parties.



Signature of the authorized signatory.

Material Accounting policies

(f) Leases

The Company's lease asset classes consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019 (standard effective date). The Company recognises a right-of-use asset and a lease liability at the later of lease commencement date or April 01, 2019. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is premeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is premeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term (Non Cancellable) of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

(g) Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge, if any.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



Material Accounting policies**(i) Employee benefits**

Leave Encashment : Compensatory absence which accrue to the employees which are expected to be availed or encashed within twelve months after the end of the period in which the employees render the related service are short-term in nature. These compensatory absences require measurement on an actual basis and not on actuarial basis.

Defined contribution plan : The company makes defined contribution to Provident Fund and Employee State Insurance which are recognized in the statement of Profit and Loss on accrual basis.

Defined benefit plan : The company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method done by an independent actuary as on the Balance sheet date.

Actuarial losses and gains are recognized in Other Comprehensive Income (OCI) and are not reclassified to the statement of profit and loss in any subsequent periods. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service costs.

(j) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

b) Minimum Alternate Tax (MAT) : paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

c) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statement and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.



Material Accounting policies**(k) Property, Plant and Equipment**

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is carried at historical cost.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in the case of fixtures at stores, has been provided based on the lease period of the respective premises.. The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss. Any leasehold improvements is depreciated over the lease term.

(l) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised. The depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.



Material Accounting policies**(m) Intangible assets**

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Estimated useful lives of the intangible assets is 10 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(n) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

(o) Inventories

Inventories (including stock-in-transit) are stated at lower of cost or net realizable value. Cost is determined on the procurement cost basis. Due to a large number and diverse nature of inventory items, cost is estimated as near as possible for each stock keeping unit including freight and applicable taxes, etc.

Net realizable value represents the estimated selling price less all estimated costs necessary to make the sale. No valuation is done for damaged stock since its realizable value, if any, is negligible.



Material Accounting policies**(p) Provisions and contingencies**

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

(q) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

a) **Non-derivative Financial assets:** All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- 1) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

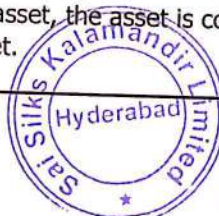
Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is that which exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

b) **Derecognition of financial assets:** A financial asset is derecognised only when the Company:

- has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients. When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



207

[Signature]

Material Accounting policies

c) Foreign exchange gains and losses: The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

d) Financial liabilities: All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL - Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/Other expenses' line item.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is

accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

(r) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the Managing director. The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

(s) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



Material Accounting policies**(t) Earnings per share (EPS)**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

(u) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(v) Capital work-in-progress

Capital work in progress includes, cost of assets not yet commissioned, and incidental expenses during the construction period. Certain directly attributable pre-operative expenses during construction period are included under Capital Work in Progress. These expenses are allocated to the cost of Fixed Assets when the same are ready for intended use.

(w) Note on ESOP Trust

The company has created "SSKL EmployeesTrust" for providing share based payments to its employees. The company uses SSKL EmployeesTrust as a vehicle for distributing shares to employees under the employee remuneration schemes.

For the said purpose, the ESOP Trust borrowed funds from the Company and paid the same towards acquisition of shares of the Company for allocating the same to the eligible employees.

Own Equity instruments that are acquired (Treasury Shares) are recognised at Cost and deducted from Equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the Carrying amount and the consideration, if reissued / sold is recognised in Other Equity.

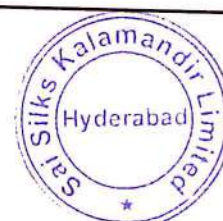
As the ESOP Trust carries out activities for the benefit of the employees of the Company, for appropriate presentation of the activity of the ESOP trust in the Standalone Financial Statements of the company, the Company has adopted the accounting policy to consolidate the ESOP Trust in the Standalone Financial Statements by treating the Trust as its extension.

Consequently, in the Standalone Financial Statements of the Company, the loan given to ESOP Trust is eliminated and the equity shares that are allotted to ESOP Trust (Treasury shares) are recognised at cost and disclosed as deduction from Equity.

Further, for the purpose of computation of Weighted Average Number of Equity shares outstanding for calculating Earnings per share, the weighted average number of Treasury shares outstanding are reduced from the number of shares at the end of the year.

(x) Basis for Accounting of invoices / Debit notes / Credit Notes towards procurement Goods / Services

We account the invoices / Debit notes / Credit Notes only after acceptance of the received goods / services related to that respective invoices / Debit notes / Credit Notes. And these goods becomes forming part of our inventory only after completion of accounting of respective invoices / Debit notes / Credit Notes.



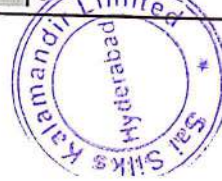
[Handwritten signature]
[Handwritten initials]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 3**Property, Plant and Equipment**

Description of Asset	Buildings & Civil structures	Plant and Equipment	Furniture and Fixtures	Vehicles	Computers	Total	Capital Work-In-Progress
Gross Carrying Amount							
As at 1 Apr, 2022	30.92	36.03	135.78	9.97	6.27	218.97	-
Additions	24.46	5.21	26.02	3.31	1.21	60.21	-
Disposals/adjustments	-	-	-	(0.56)	-	(0.56)	(0.00)
Closing Gross Carrying Amount (C)	55.38	41.24	161.80	12.72	7.48	278.62	(0.00)
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	2.52	8.30	37.89	3.06	4.04	55.805	-
Depreciation charge for the year	0.64	2.49	12.83	1.55	1.06	18.580	-
Disposals/adjustments/Impairment	-	-	-	(0.47)	-	(0.47)	-
Closing Accumulated Depreciation and Impairment as at Mar 31, 2023 (D)	3.16	10.79	50.72	4.14	5.10	73.91	-
Net Carrying Amount as at Mar 31, 2023 (C-D)	52.22	30.45	111.08	8.58	2.38	204.71	(0.00)
Gross Carrying Amount							
As at 1 Apr, 2023	55.38	41.24	161.79	12.73	7.48	278.62	(0.00)
Additions	10.35	3.42	19.38	2.52	3.29	38.96	2.27
Disposals/adjustments	-	-	-	(0.16)	-	(0.16)	-
Closing Gross Carrying Amount (C)	65.73	44.66	181.177	15.09	10.77	317.42	2.27
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	3.16	10.79	50.72	4.14	5.10	73.91	-
Depreciation charge for the year	0.93	2.74	14.56	1.79	1.64	21.66	-
Disposals/adjustments/Impairment	-	-	-	(0.15)	-	(0.15)	-
Closing Accumulated Depreciation and Impairment as at Mar 31, 2024 (D)	4.09	13.53	65.285	5.78	6.74	95.42	-
Net Carrying Amount as at Mar 31, 2024 (C-D)	61.64	31.13	115.89	9.31	4.03	222.00	2.27



Signature

Signature

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(i) Property, plant and equipment mortgaged as security

Refer to note 41 for information on property, plant and equipment mortgaged as security by the company.

(ii) Contractual obligations

Refer to note 37(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress

The ageing of Capital work-in progress is provided in Note 40.

(iv) Ind AS 101 - Deemed Cost exemption

As per para D7AA of Ind AS 101, the company has adopted to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind ASs (01 April 2019), measured as per the previous GAAP and use that as its deemed cost as at the date of transition.



Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 4**Other Intangible assets**

Description of Asset	Software	Brands	Total
Gross Carrying Amount			
As at 1 Apr, 2022			
Additions	0.68	15.71	16.39
Disposals/adjustments	-	-	-
Closing Gross Carrying Amount (C)	0.68	15.71	16.39
Accumulated Depreciation and Impairment			
Opening accumulated depreciation			
Depreciation charge for the year	0.42	8.35	8.77
Disposals/adjustments/Impairment	0.06	2.09	2.15
Closing Accumulated Depreciation and Impairment as at Mar 31, 2023 (D)	-	-	-
Net Carrying Amount as at Mar 31, 2023 (C-D)	0.48	10.44	10.92
	0.20	5.27	5.47

Description of Asset	Software	Brands	Total
Gross Carrying Amount			
As at 1 Apr, 2023			
Additions	0.68	15.71	16.39
Disposals/adjustments	-	-	-
Closing Gross Carrying Amount (C)	0.68	15.71	16.39
Accumulated Depreciation and Impairment			
Opening accumulated depreciation			
Depreciation charge for the year	0.48	10.44	10.92
Disposals/adjustments/Impairment	0.05	2.09	2.14
Closing Accumulated Depreciation and Impairment as at Mar 31, 2024 (D)	-	-	-
Net Carrying Amount as at Mar 31, 2024 (C-D)	0.53	12.538	13.07
	0.15	3.17	3.32



[Handwritten signature]

[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 5**Leases**

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 01-Apr-2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has used simplified transition approach under Ind AS 116.

(a) Right-of-use assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	169.29	78.40
Transition to Ind AS 116	-	-
Additions during the year / period	41.50	111.17
Impact on lease termination	-	-
Impact on lease modification	2.01	-
Amortised during the year / period	(24.11)	(20.28)
Total	188.69	169.29

(b) Lease liabilities

The following are the movement in lease liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	180.42	86.64
Additions	39.10	105.90
Modifications	1.14	-
Deletions	-	-
Interest	18.53	14.66
Lease payments	(32.71)	(26.78)
Closing balance	206.48	180.42
Non-current lease liabilities	192.29	166.38

(c) Current lease liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current lease liabilities	14.19	14.04
Total	14.19	14.04

Note: Please refer note no. 36 for other additional disclosures relating to leases



[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 6 Other financial assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Rental deposits - at amortised cost - refer note (1) below	31.83	27.64
(b) Advances to Employee Trust*	-	0.01
Total	31.83	27.65

(1) The company has paid an amount of INR 3.00 crores as interest free refundable security deposit for opening a new store at Chennai on lease. However, the parties failed to hand over the physical possession. Complaint was filed with Central Crime Station (CCS), Hyderabad PS vide FIR No. 219/2019. Upon investigation, charge sheet was filed and requested the bank to freeze the account of the defaulting party, where significant amount was parked. Management is confident of recovering the total deposit amount. Hence no provision has been made in this regard.

* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

Note No. 7 Other non-current assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Advances for purchase of property, plant and equipment	15.93	6.40
(b) Deposits with govt. authorities	2.47	2.17
(c) Other deposits	0.05	0.04
Total	18.45	8.61

Note No. 8 Inventories

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Stock in trade	723.04	689.15
(b) Packing material and others	0.18	0.60
Total	723.22	689.75

Inventories are hypothecated as security against current borrowings, details of which have been disclosed in Note 41.

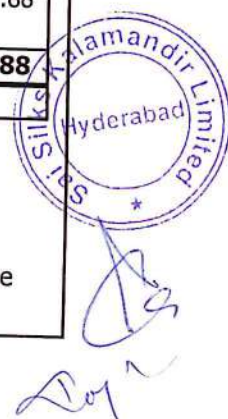
For mode of valuation of inventories refer Note 2(o) of Accounting Policies.

Note No. 9 Trade receivables

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Considered good - Unsecured	3.31	2.88
Total	3.31	2.88

Trade receivables are hypothecated as Security for part of Cash Credit facilities (refer note 41) and ageing of trade receivables is provided in Note 38.

The Company generally operates on a cash and carry model, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 10 Cash and cash equivalents

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Balance with banks		
-In Current Accounts	30.47	0.10
-In Deposit Accounts (with maturity of less than 3 months)	-	-
(b) Cash on hand	7.81	2.63
(c) Others - Card Swiping receivables	5.99	1.88
Total	44.27	4.61

Note No. 11 Bank balances other than cash and cash equivalents

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Fixed deposits (includes FDs held as margin money against borrowings as specified in Note no.41) (maturity of less than 12 months from the balance sheet date)^	357.37	45.09
Total	357.37	45.09

^ Other bank deposits represents, fixed deposit with banks with original maturity of more than 3 months.

Note No. 12 Loans

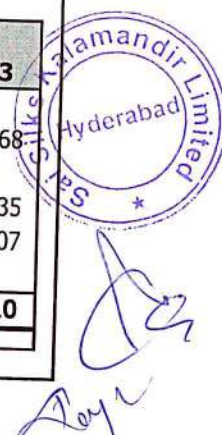
Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Employee loans - at amortised cost	20.69	34.40
Total	20.69	34.40
Break-up of security details		
Loans considered good – unsecured	20.69	34.40

Note No. 13 Other financial assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
[Unsecured, considered good]		
Interest accrued on FDs	0.44	0.60
Others		
- Deposits given to BSE	3.00	-
- Others	0.51	0.29
Total	3.95	0.89

Note No. 14 Other current assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Balances with statutory authorities		
- Other taxes	6.74	9.68
(b) Others		
- Advances to Suppliers	14.13	8.35
- Prepaid Expenses	1.40	9.07
Total	22.27	27.10



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited**Note No. 15****Equity share capital****(i) Authorised equity share capital**

Particulars	Number of Shares	Amount
As at 31st Mar, 2022 @ Face Value of 10/- each	4,20,00,000	42.00
Movement during the year	-	-
As at 31st Mar, 2023 @ Face Value of 2/- each	21,00,00,000	42.00
As at 31st Mar, 2023 @ Face Value of 2/- each	21,00,00,000	42.00
Movement during the year	-	-
As at 31st Mar, 2024 @ Face Value of 2/- each	21,00,00,000	42.00

(ii) Movement in paid-up equity share capital

Particulars	Number of Shares	Amount
As at 31st Mar, 2022 @ Face Value of 2/- each	12,03,22,940	24.06
Movement during the year @ Face Value of 2/- each	60,16,145	1.20
Treasury Stock*	(60,16,145)	(1.20)
As at 31st Mar, 2023 @ Face Value of 2/- each	12,03,22,940	24.06
As at 31st Mar, 2023 @ Face Value of 2/- each (Incl. Treasury Stock)	12,63,39,085	25.26
Movement during the year @ Face Value of 2/- each	2,70,27,027	5.41
Treasury Stock*	(60,16,145)	(1.20)
As at 31st Mar, 2024 @ Face Value of 2/- each	14,73,49,967	29.47

Terms and Rights attached to Equity Shares

The Company has one class of equity shares having a par value of INR. 2/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

(iii) Details of shareholders holding more than 5% shares in the company

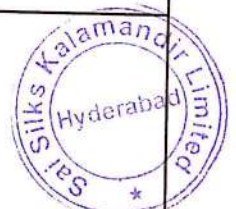
Name of the Shareholder	For the year ended Mar 31, 2024		For the year ended Mar 31, 2023	
	Number of shares	% holding	Number of shares	% holding
Chalavadi Naga Kanaka Durga Prasad	5,05,66,160	32.97	5,69,75,505	45.10
SSKL Family Trust	2,46,53,850	16.08	2,46,53,850	19.51
Annam Kalyan Srinivas	87,50,000	5.71	1,50,96,975	11.95
Chalavadi Jhansi Rani	35,01,975	2.28	1,14,51,495	9.06
Chalavadi D K Durga Rao	57,78,955	3.77	64,35,250	5.09

(iv) Shares held by promoters

Name of the Promoter	% Share holding		
	As at Mar 31, 2024	As at March 31, 2023	% Change during the year
Chalavadi Naga Kanaka Durga Prasad	32.97	45.10	(12.13)
Chalavadi Jhansi Rani	2.28	9.06	(6.78)

(v) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date:

Nil



Handwritten signature and initials in blue ink.

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 16 Other equity

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Securities premium (refer movement below)	593.61	34.36
(b) Retained Earnings including OCI (refer movement below)	439.86	338.91
	1,033.47	373.27

(a) Securities premium

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	34.36	34.36
Additions	594.59	12.03
Related to Treasury Stock*	-	(12.03)
Provision for IPO Expenses	(35.34)	-
Closing Balance	593.61	34.36

* Refer to point no.(w) of Note no.2 (Summary of Material Accounting policies)

(b) Retained Earnings

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	338.91	242.24
Ind AS adjustments		
Balance after above Ind AS adjustments	338.91	242.24
Net profit for the year	100.87	97.59
	439.78	339.83
OCI on Gratuity and Leave Encashment	0.11	(1.23)
Deferred Tax on OCI portion	(0.03)	0.31
Closing balance	439.86	338.91

Note No. 17 Financial liabilities non-current borrowings

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Secured - Long Term Loans from banks		
(a) Term loans from banks *	17.76	61.85
(b) Vehicle loans from banks #	3.48	3.53
Un secured - Long Term Loans from NBFCs ^	1.38	-
Total	22.62	65.38

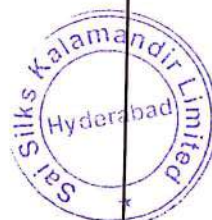
* Term Loans from Banks are secured by first charge on fixed assets of the company both present and future (For details Refer Note No 41)

Vehicles loans are secured by hypothecation of vehicles financed by respective banks. (For details Refer Note No 41)

^ For details Refer Note No 41

Note No. 18 Non-current other financial liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Security deposits - at amortised cost	2.59	2.70
Total	2.59	2.70



Handwritten signatures and initials at the bottom right of the page.

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 19 Provisions

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Provision for employee benefits (refer note 43)	5.93	4.64
Total	5.93	4.64

Note No. 20 Deferred tax liabilities (Net)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
The balance comprises temporary differences attributable to:		
Deferred tax liabilities - Opening	11.48	12.77
Impact in the current year	(1.26)	(1.29)
Total	10.22	11.48

As at Mar 31, 2024

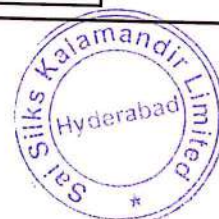
Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	12.79	(0.89)	-	11.90
Other Adjustments	(1.31)	(0.40)	0.03	(1.68)
Total	11.48	(1.29)	0.03	10.22

As at Mar 31, 2023

Particulars	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant and equipment	13.18	(0.39)	-	12.79
Other Adjustments	(0.41)	(0.59)	(0.31)	(1.31)
Total	12.77	(0.98)	(0.31)	11.48

Note No. 21 Financial liabilities current borrowings

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Secured (refer note 41)		
(i) Loans repayable on demand from banks	218.05	193.38
(ii) Current maturities for long term debt	7.48	26.33
(iii) Current maturities of vehicle loans	2.06	1.61
(b) Unsecured (refer note 41)		
(i) From related parties	-	-
(ii) From Others	-	53.74
(iii) Current maturities for long term debt*	7.54	5.06
Total	235.13	280.12
* Loans availed from NBFCs (for further details refer note no. 41)		



Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 22 Trade payables

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Trade Payables to third parties		
- Due to micro, small and medium enterprises	-	3.40
- Others	59.22	226.62
Total	59.22	230.02

***Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

(a) Principal amount remaining unpaid to any supplier as at year end	-	3.40
(b) Interest due on above and remaining unpaid as at year end	-	-
(c) Principal/interest amount paid beyond the appointed day during the year	-	-
(d) Interest paid on payments made beyond the appointed day during the year u/s 16 of MSMED Act, 2006	-	-
(e) Interest due and Payable on payments made beyond the appointed day during the year other than MSMED Act, 2006	-	-
(f) Interest remaining due and payable for the period of delay in earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

Note No. 23 Other financial liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Interest accrued on loans	-	0.06
(b) Employee benefits payable	12.42	11.29
(c) Capital Creditors	3.04	3.12
(d) Outstanding expenses	13.07	17.34
(e) Payable to Selling Share Holders	0.60	-
Total	29.13	31.81

Note No. 24 Other current liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Statutory dues payable	4.52	2.29
(b) Advances received from customers	1.76	1.52
Total	6.28	3.81

Note No. 25 Provisions

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) Provision for employee benefits (refer note 43)	0.72	0.54
Total	0.72	0.54

Note No. 26 Current tax liabilities (Net)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Current tax liabilities	0.38	12.20
Total	0.38	12.20



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 27 Revenue from operations

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Sale of products		
- through showrooms	1,354.51	1,333.00
- through online channel	19.04	18.47
Total	1,373.55	1,351.47

Company adopted Ind AS 115 "Revenue from Contracts with Customers". Refer note 2(e) for the accounting policies followed pursuant to adoption of Ind AS 115. The adoption of Ind AS 115 did not have any material impact.

Note No. 28 Other income

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Interest Income		
- on fixed deposits	16.56	1.66
(b) Profit / (Loss) on Sale of Fixed Assets	0.02	0.01
(c) Interest unwinding on rental deposits	1.81	0.78
(d) Other non-operating income*	5.09	5.00
Total	23.48	7.45

* It includes subletting income

Note No. 29 Purchases of stock-in-trade

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Purchases of Stock in trade	843.88	1,031.15
(b) Other Direct Expenses	4.68	4.46
Total	848.56	1,035.61

Note No. 30 Changes in inventories

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Changes in inventories		
Stock at the end of the year		
Stock in trade	723.04	689.15
Stock at the beginning of the year		
Stock in trade	689.15	476.16
Total changes in inventories	(33.89)	(212.99)



[Handwritten signature]
24/5

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 31 Employee benefit expense

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Salaries and Wages (refer note 43)	142.64	120.97
(b) Director's remuneration (refer note 45)	7.38	7.38
(c) Staff Bonus	6.46	5.09
(d) Staff Welfare Expenses	3.39	2.94
(e) Contribution to Provident Fund & ESI (refer note 43)	3.17	3.28
(f) Gratuity (refer note 43)	1.59	1.18
Total	164.63	140.84

Note No. 32 Finance costs

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Interest on borrowings	30.52	25.55
(b) Interest on others	2.81	3.19
(c) Interest on lease rental discounting (refer note 36)	18.53	14.66
Other Borrowing Costs		
(d) Foreign Exchange (gain) / loss, net *	(0.03)	(0.19)
(e) Processing Charges	1.04	2.20
Total	52.87	45.41

*Forex (Gain) / Loss is arrived by year-ending valuation of advances made in foreign currency as per Ind AS 21

Note No. 33 Depreciation and amortization expense

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Depreciation of Property, Plant and Equipment (refer note 3)	21.66	18.58
(b) Amortisation of Intangible Assets (refer note 4)	2.14	2.15
(c) Amortisation of right-of-use assets (refer note 5)	24.11	20.28
Total	47.91	41.01

Note No. 34 Other expenses^

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
(a) Rent (refer note 36)	26.37	23.32
(b) Insurance	1.25	1.49
(c) Professional Charges	10.42	9.19
(d) Facility maintenance expenses	54.36	48.73
(e) Business promotion expenses	63.73	71.13
(f) Other expenses	24.224	20.07
(g) Audit Fee		
-for audit	0.24	0.19
-for tax audit	0.08	0.06
(h) CSR Expenditure (refer note below)	1.60	1.29
Total	182.27	175.47

^ Refer note no. 34A for detailed breakup of Other Expenses

*Disclosures in relation to corporate social responsibility expenditure

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Amount required to be spent as per Section 135 of the Act	1.52	1.02
Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above		
- For Current Year	1.60	1.03
- For Previous Years	-	0.26
Amount unspent	-	-

Hyderabad
Sri Sankar

Note no. 34A Other Expenses

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Administration Expenses		
(a) Rent (refer note 36)		
Rent	26.19	23.13
Rent cum Commission	0.18	0.19
	26.37	23.32
(b) Insurance		
Insurance	1.25	1.49
(c) Professional Charges		
Professional Charges	10.42	9.19
(d) Facility maintenance expenses		
Security Charges	2.30	2.09
Electricity Charges	22.87	19.85
Generator maintenance	0.79	0.63
Office & Stores Maintenance	12.53	9.74
Alteration, Rolling & Polishing Charges	1.19	0.63
Repairs & Maintenance		
Computers & Softwares	0.74	0.83
Plant & Machinery	4.22	4.08
Building	4.60	5.57
Furniture & Fixtures	5.01	5.23
Others	0.11	0.08
	54.36	48.73
(e) Business promotion expenses		
Advertisement	24.95	34.55
Business Promotion	28.40	27.68
Packing Material	10.38	8.90
	63.73	71.13
(f) Other expenses		
Printing, Postage & Stationery	1.48	1.50
Telephone & Internet Charges	0.63	0.44
Travelling Expenses	3.99	1.13
Computer Software Maintenance	0.82	1.24
Conveyance	5.52	5.37
Festival & Functional Expenses	0.98	1.05
Directors Sitting Fee	0.25	0.18
Professional Tax	0.02	0.02
Vehicle Maintenance	0.61	0.74
Subscription	0.01	0.01
Rates & Taxes	2.25	1.58
Donations (Not eligible as CSR)	0.46	-
Bank Charges (Incl Cash Pickup & CC Swiping Charges)	7.20	6.81
	24.22	20.07
(g) Audit Fee		
Audit Fee	0.33	0.25
(h) CSR Expenditure		
CSR Expenditure	1.60	1.29



Handwritten signature and date '20/11'

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 35**Earnings per equity share**

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Profit after tax	100.87	97.59
Add / Less: Dividend tax	-	-
Profit after tax attributable for equity share holders	100.87	97.59
Number of equity shares (nos.)	14,73,49,967	12,03,22,940
Weighted average number of equity shares (nos.) - (Share split done on May 18, 2022)	13,42,79,520	12,03,22,940
Face value of equity share (in INR rupees)	INR 2.00	INR 2.00
Earnings per share (in INR rupees)		
Basic	7.51	8.11
Diluted	7.51	8.11

Note No. 36**Right-of-use assets and Lease liabilities**

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 01-Apr-2019. Ind AS 116 replaces Ind AS 17 – Leases and related interpretation and guidance. The Company has used simplified transition approach under Ind AS 116.

(a) Right-of-use assets

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	169.29	78.40
Add: Addition during the year	41.50	111.17
Less: Impact on lease termination	-	-
Less: Impact on lease modification	2.01	-
Less: Amortised during the year	(24.11)	(20.28)
Total	188.69	169.29

(b) Lease liabilities

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Opening Balance	180.42	86.64
Additions	39.10	105.90
Modifications	1.14	-
Deletions	-	-
Interest	18.53	14.66
Lease payments	(32.71)	(26.78)
Closing balance	206.48	180.42

(i) Amounts recognised in the statement of profit and loss

The statement of profit or loss shows the following amounts relating to leases

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Depreciation charge of right-of-use assets (refer note 33)	24.11	20.28
Interest expense (included in finance costs) (refer note 32)	18.53	14.66
Interest unwinding on rental deposits (refer note 28)	(1.81)	(0.78)
Expense relating to short-term leases (refer note 34)	26.37	23.32



[Handwritten signature]
204

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

(ii) Contractual maturities of lease liabilities on an undiscounted basis

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
Balance as at				
Mar 31, 2023	31.31	133.81	135.55	300.67
Mar 31, 2024	34.02	151.40	161.81	347.23

(iii) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the company. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of termination options held are exercisable only by the company and not by the respective lessor. In case the company wishes to extend the lease, the same can be done on mutually agreeable basis with the lessor.

Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

Also the company has used the discounting rate as 10% (the borrowing rate from the banks) for the purpose of arriving at present value.

For leases of retail stores, the following factors are normally the most relevant

(a) If any leasehold improvements are expected to have a significant remaining value, the company is typically reasonably certain to extend (or not to terminate).

(b) Most extension options in retail leases have been included in the lease liability, because the company only has the right to extend the lease (only with the approval of the lessor) and has incurred lease hold improvements in them.

(c) The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(d) If there are significant penalty payments to terminate (or not to extend), the company is typically reasonably certain to extend (or not to terminate).

(iv) The company is operating through 60 showrooms & 4 warehouses spread across the southern part of India and on evaluation of those rental agreements, 39 showrooms & 4 warehouses have come under the purview of Ind AS 116 and impact of the same has been provided in the financials (refer note 5). As per the terms and conditions stipulated in the lease deeds/agreements of the remaining 21 showrooms, the termination option is available with both lessor and lessee leading to the same being treated as short term and the impact appears in the rental expenses (refer note 34).

Note No. 37**Contingent liabilities and commitments****(a) Contingent liabilities**

1. The company has filed Rectification u/s 154 in relation to the below.

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Income Tax		
AY 2009-10	0.06	0.06
AY 2010-11	0.02	0.02
AY 2011-12	-	0.08
AY 2012-13	0.17	-
AY 2016-17	0.89	0.89
	1.14	1.05



[Handwritten signature]

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

2. The Company received two notices from Greater Hyderabad Municipal Corporation (GHMC) in the month of June 2022 for two showrooms located in Reddy Brothers Lane, Saroornagar, Hyderabad for using a residential property for non-residential use. The company filed replies to the above notices and the matter is currently pending with GHMC.

3. The company received a notice from Greater Hyderabad Municipal Corporation (GHMC) pursuant to a written complaint by residents alleging noise and traffic nuisance resulting from presence of our stores. The company filed response to such notice by providing clarifications and requesting relief in the matter. Consequently, a petition was preferred before the High Court of Telangana by the complainants to direct GHMC to stop the alleged activity against which an interim injunction was obtained by our company. Thereafter another contempt petition was filed by the complainants against the company and the matter is still pending.

4. A legal notice dated August 16, 2022 was received by the company and its directors, alleging that the company is playing various sound recordings, copyrights of which vests with Phonographic performance limited without an appropriate copyright license and paying a sum of ₹ 5 Crores as damages. The company filed a reply to the above notice stating that the complainant does not have a statutory right to raise the demands given in the notice. Consequently, a commercial suit was filed vide suit no.37964 of 2022 along with an interim application no.37970 of 2022, dated December 5, 2022 before the Hon'ble Bombay High court praying for an order of injunction restraining the company to use the above mentioned intellectual property. Consequently, the company made a statement before the Court that none of the Sound recordings for which the complainant claims to have copyright shall be played in the malls and stores run by the Company which was taken on record by the Court on December 19, 2022. The matter is currently pending before the Court.

5. Search and seizure operations under section 132 of the Income tax act:

Search and seizure of operations in the premises was conducted in the month of May 2023, by income tax department under section 132 of Income Tax Act, 1961. Information and documents submitted to income tax department as per notices served from time to time. Scrutiny proceedings are in progress and as on date neither income tax demand determined nor levied consequent to such operations.

(b) Commitments

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of capital advances)	3.35	-
Estimated amount of contracts remaining to be executed on account of other purchase commitments	-	-
Net Capital Commitments	3.35	-
Total (a) + (b)	4.49	1.05

Note: As disclosed in the Prospectus, The Company is intended to open 30 new stores & 2 ware houses in the span of 2 years with an amount of Rs. 125 crores & 25 crores respectively. Out of which 6 stores were opened during the FY 2023-24 and spent an amount of Rs.28.50 cores by 31st March, 2024.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 38 Trade Receivables Ageing Schedule

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(i) Undisputed Trade receivables – considered good		
Less than 6 Months	2.99	2.33
6 Months - 1 Year	0.32	0.55
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
Total	3.31	2.88

Note No. 39 Trade payables Ageing Schedule

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(i) MSME		
Less than 1 year	-	3.40
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
(ii) Others		
Less than 1 year	59.21	226.62
1-2 years	0.01	-
2-3 years	-	-
More than 3 years	-	-
Total	59.22	230.02

Note No. 40 CWIP ageing schedule

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Projects in progress		
Less than 1 year	2.27	(0.00)
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	2.27	(0.00)



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

Note No. 41

(a) For the period ended Mar 31, 2024

1.0 A. Nature of Security and terms of repayment for term loans from banks:

Sl No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	Canara Bank Term Loan	Showcases, Furniture and Fixtures and other fixed assets of 6 showrooms - Exclusive First charge by way of hypothecation	1. Paripassu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 14 Ballooning Quarterly instalments commencing from Q1 FY 2023-24. The quarterly instalment of each financial year is as follows : FY 2023-24 : Rs. 1.25 Crores Per quarter FY 2024-25 and FY 2025-26 : Rs. 1.50 Per quarter FY 2026-27 : Two quarterly instalments of Rs. 1.235 Crores each	1 year MCLR + 2.20%
2	Canara Bank Housing Loan - 1	Mortgage of Flat / Houses to be purchased out of loan proceeds. Margin Up to 10%	Nil	Repayable in 180 EMIs	RLLR + 0.1%
3	Canara Bank Housing Loan - 2	EMT / MODTD of Residential Houses / Flats undivided share purchased with this loan in the name of the company for using as staff quarters. Margin is 13.04%	Nil	Repayable in 180 Monthly principal instalments (Rs. 10,55,556/-) commencing from November 2022;	1 year MCLR + 1.30%

1.0 B. Nature and terms of repayment for loans availed from NBFCs:

Sl.N o	Lender	Security	Terms of Payment	Int. Rate Per Annum	Guarantee
1	OXYZO Financial Services Pvt Ltd	Unsecured	Term loan Repayable in 12 EMIs of Rs. 63,18,081/- starting from Nov-2023	15.00%	Personal Guarantee from NAGA KANAKA DURGA PRASAD CHALAVADI
2	Tata Capital Financial Services Limited	Collateral security with a Fixed Deposit of Rs. 1.00 Cr	Term loan Repayable in 24 EMIs of Rs. 47,54,182/- starting from Jun-2023	LTLR less 8.55 %	Personal Guarantee from Durgarao D K Chalavadi, Kalyan Srinivas Annam, Naga Kanaka Durga Prasad Chalavadi



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.1 Nature of Security and terms of repayment for working capital limits from banks:

Sl.No	Lender	Primary Security	Other Contractual Comforts	Terms of Payment	Int. Rate
1	ICICI Bank (CC and WCCL) Sanctioned Limit: 90 Crores	1st Pari-passu Charge on entire current assets of the company. 2nd Pari-passu Charge on Unencumbered movable fixed Assets of the company	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 90 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: 6 Months MCLR + 0.10% on WCCL Limit: Repo Rate + Spread (As decided on the date of availment)
2	Yes Bank (CC and WCCL) Sanctioned Limit: 90 Crores	1st Pari-passu Charge on entire current assets of the company. 2nd Pari-passu Charge on all movable fixed Assets of the company (excluding Vehicles)	Personal Guarantee of M/s. NAGA KANAKA DURGA PRASAD CHALAVADI	On demand DP Margins : Inventory -25% Debtors - 25% (Cover period is 120 Days) Sundry Creditors to be reduced for the purpose of drawing power calculation	on CC limit: Overnight MCLR+0.00% on WCCL Limit: As decided on the date of disbursement



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

The Working Capital limits with the following Banks are under the process of discontinuance.

(Regarding this the company has paid the entire outstanding except the amount to the extent of Fixed Deposits (Cash Collaterals) with the respective Banks and gave an official communication to all the following Bankers to close the outstanding balance by adjusting the cash collaterals available with them)

Outstanding balances of working capital limits & deposits given as collateral against to these limits with the Banks under discontinuance as follows:

Bank	CC O/s Liability_31.03.2024	Deposits as at 31.03.2024	Net (Our Balances with the Bank) (Rs. in Cr.)
Canara Bank	15.83	16.29	0.46
HDFC Bank	21.27	22.87	1.60
IDBI Bank	7.98	8.16	0.18
	45.08	47.32	2.23

Note: There is no outstanding liability with the SBI & no fixed deposits with the SBI as at 31st Mar, 2024. Releasing of non cash collaterals are under process.

Sl.N o	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	State Bank of India (CC and SLC)	Pari-passu 1st Charge by way of Hypothecation of entire current assets of the company (Both Present & Future) along with CANARA Bank. Pari-passu 2nd Charge on present & future fixed assets of the company along with other Working capital Lenders	1st Charge by way of Equitable Mortgage of 6 properties belonging to Promoters & their friends and family members as detailed in the below schedule along with Cash Collateral of Rs. 8.50 Cr & Pledge of 30% Paid up shares of the Company held by the promoters	On demand DP Margins : Paid Stock-25% Debtors - 100%	6 Months MCLR + 0.95% With Monthly Reset In Case of SLC, ROI is (Effective ROI on CC + 1%)
2	Canara Bank (CC and WCDL)	Hypothecation of stocks at all showrooms of the company on Pari-passu 1st Charge Basis with SBI, HDFC & IDBI	1. Fixed assets of all showrooms and Intangible assets on Pari-passu II Charge basis. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	On demand DP Margins : Stock & Book Debts - 25% (Cover period is one month for Book Debts)	1 Year MCLR+2.65%
3	HDFC Bank (CC)	Pari-passu 1st Charge on entire current assets of the company along with other member bankers (SBI, Canara & IDBI)	Fixed Deposit of Rs. 10.50 Crores (Constituting 30% of Collateral coverage)	On demand DP Margins : Paid Stock-25% Debtors - 100%	T Bills (3Months) + 2.72%
4	IDBI (CC and WCDL)	Pari-passu 1st Charge on the entire current assets of the company (Both Present & Future) along with other working Capital Banks	Fixed Deposit of Rs. 7.50 Cr (25% of Working Capital limits)	On demand DP Margins : Paid Stock-25% Debtors - 25% (Less than 90 Days)	1 Year MCLR + 1.20%



[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.2 Schedule of Collateral property with the above Banks (Which are under the process of discontinuance)

Sl no	Type	Belonging To	Address	Offered to
1	Residential Plot (Admeasuring 332.00 Sq.Yds)	Subhash Chandra Mohan. Annam	Plot No.6p, in Sy. No. 87 & 90 T.S. No. 13 & 14, Shaikpet village & mandal, Hyderabad.	State Bank of India
2	Two Plots of Open Lands (Admeasuring 400.00 Sq.Yds (200.00 Sq.Yds Each))	Ch.N.K.D.Prasad (MD)	D. No. 40-1/1-14E, NTS Nos. 42 & 43, Rev. Ward No.11, Block No.2, Adj. to SVR Neuro Hospital, Mogalrajapuram, Vijayawada	State Bank of India
3	Open Plot (Admeasuring Ac 4.10 Gts)	Mrs. T.R. Saroja	Sy. No. 168, New No. 168/1, Kannurahalli village, Kasaba Hobli, Hoskote Taluk, Bangalore. Out of which Land Converted vide ALN(H)SR80/88-89 of 4.1.1988 By DC Bangalore to an extent of 2 Acres only for Brick Factory	State Bank of India
4	Land and Building (Admeasuring 311.11 Sq.Yds) Being a Cellar + G + 4 Floors commercial Building totally admeasuring 9610 sft. And other civil works there on.	S.Mohan Rao S/o S.Vernkateswari and Smt. S.Swarnalatha w/o S.Mohan Rao	H no. 222/MTG/1, (M.C.K no. 15-24-222) KPHB Colony, Phase I & II, Ward No.15, Block No.24, Kuakatpally village & Municipality, Balanagar Mandal, RR District (TG).	State Bank of India
5	Open Land (Admeasuring Ac 4.30 Gts)	Smt. M.R.Soumya	In Sy. No. 105/2A1, Bannikoppa Village, Bidadi Hobli, Ramanagar, Bangalore.	State Bank of India
6	Commercial Plot (Admeasuring 2893 Sq Yards)	Varamahalakshmi Holdings Pvt. Ltd.	Sy no. 8-5-255/1 (7, 7/1, 8 to 12), Diamond Colony, Saroor Nagar, Ranga Reddy, Telangana	State Bank of India
7	Cash Collateral of 8.50 Crores	Existing 2.40 Cr and Addl 6.10 Cr		State Bank of India

44

20



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

Sl no	Type	Belonging To	Address	Offered to
8	Pledge of 30% of paid up Shares of the company held by the Promoters			State Bank of India
9	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-2, Ramky Pearls in Sy no.143,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
10	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-13, Ramky Pearls in Sy no.143,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
11	Flat.1 (Admeasuring 2,500 Sft)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.1, Ground Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
12	Flat.8 (Admeasuring 1,450 Sft)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.8, 2nd Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
13	Land and Building (Admeasuring 268.53 Sq.Yds) G + 1 Floors built-up area of 1,840 Sft	Ch.N.K.D.Prasad (MD)	H no. 6-3-841/E/1, Ameerpet, Hyderabad	CANARA Bank
14	Land and Building (Admeasuring 288.88 Sq.Yds) A.C sheet room of 275 sft	Ch.N.K.D.Prasad (MD)	H no. 33-10-17, Mogalrajpuram, Seetharampuram, Srinivasarao Street, Vijayawada	CANARA Bank
15	Term Deposit of Rs. 15.05 Cr			CANARA Bank
16	Pledged 87,50,000 equity shares of 2/- each held by the promoters			CANARA Bank



Day

[Signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.3 Personal Guarantees of the following persons (Which are under the process of discontinuance):

Sl No.	Particulars	Offered to
1	Sri Chalavadi Naga Kanaka Durga Prasad S/o C. Krishna Murthy	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
2	Sri Annam Kalyan Srinivas S/o A Chandra Sekhar	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
3	Sri Chalavadi DK Durga Rao S/o C Krishna Murthy	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
4	Sri Annam Venkata Rajesh S/o A Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
5	Sri Annam Subhash Chandra Mohan S/o A, Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
6	Sri S Mohan Rao, S/o Venkateswarlu	State Bank of India
7	Smt S Swarnalatha W/O S Mohan Rao	State Bank of India
8	Smt T R Saroja D/o Late T S Ramaiah	State Bank of India
9	Smt M R Sowmya W/O Girija Shanker	State Bank of India
	Corporate Guarantor	
1	Varamahalakshmi Holdings Pvt. Ltd.	State Bank of India
2	M/s. Sai Readymade (Partnership Firm)	CANARA Bank

[Handwritten Signature]



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
1	HDFC Vehicle Loan - 96977239	BMW	Repayable in 60 monthly installments of Rs.2,38,130/- each commencing from Jan'2020.	8.50%
2	HDFC Vehicle Loan - 112686183	Vellfire	Repayable in 60 monthly installments of Rs.1,93,309/- each commencing from Oct'2020.	7.75%
3	Toyota FSIL Vehicle Loan - NHYD1184355	Toyota Vellfire	Repayable in 60 monthly installments of Rs.1,89,910/- each commencing from Apr'2020.	8.31%
4	Canara Bank Vehicle Loan - 4929603000020	Hyundai Creta	Repayable in 84 monthly installments of Rs. 24,646/- each commencing from Sep'2020.	7.85%
5	Canara Bank Vehicle Loan - 4929603000022	Skoda	Repayable in 78 monthly installments of Rs. 52,506/- each commencing from Sep'2020.	7.85%
6	Canara Bank Vehicle Loan - 4929603000024	Innova	Repayable in 81 monthly installments of Rs. 33,205/- each commencing from Sep'2020.	7.50%
7	Daimler Financial Services India Private Ltd Vehicle Loan - 10139378	Benz	Repayable in 60 monthly installments of Rs.1,54,888/- each commencing from Dec'2019.	7.66%
8	HDFC Vehicle Loan - 123507760	Toyota Vellfire	Repayable in 60 monthly installments of Rs.1,83,062/- each commencing from Nov'2021.	7.10%
9	HDFC BANK Vehicle Loan - 126956703	Innova	Repayable in 60 monthly installments of Rs.47,220/- each commencing from Apr'2022.	7.10%
10	ICICI Vehicle Loan - LAHYD00045304127	THAR	Repayable in 60 monthly installments of Rs.33,307/- each commencing from Apr'2022.	7.40%
11	HDFC Vehicle Loan - 130976729	Range rover sport version	Repayable in 60 monthly installments of Rs.236,806/- each commencing from Jul'2022.	7.35%
12	HDFC Vehicle Loan - 133073148	WAGON R ZXI	Repayable in 39 monthly installments of Rs.19,517/- each commencing from Oct'2022.	8.25%
13	Hdfc Light Commercial Vehicle Loan - 133120420	Eticher Vehicle	Repayable in 48 monthly installments of Rs.40,180/- each commencing from Sep'2022.	8.35%

Signature and Stamp of Sai Silks (Kalamandir) Limited

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
14	Hdfc Light Commercial Vehicle Loan - 134948629	Eicher Vehicle	Repayable in 48 monthly installments of Rs.37,715/- each commencing from Nov'2022.	8.50%
15	Union Bank Vehicle Loan - 013916520000058	Innova	Repayable in 48 monthly installments of Rs.55,458/- each commencing from Oct'2022.	8.50%
16	HDFC Bank Vehicle Loan - 138174629	Mahindra XUV 700	Repayable in 48 monthly installments of Rs.52,933/- each commencing from Mar'2023.	8.50%
17	HDFC Bank Vehicle Loan - 137570765	Eicher Vehicle	Repayable in 48 monthly installments of Rs.36,950/- each commencing from Feb'2023.	9.00%
18	ICIC Bank Vehicle Loan - LAHYD00047811784	MG ZS EV Vehicle	Repayable in 60 monthly installments of Rs. 59,118/- each commencing from Jun'2023.	8.95%
19	ICIC Bank Vehicle Loan - LAHYD00047818265	NEXON 2.0 MAX XZ EV	Repayable in 60 monthly installments of Rs. 38,838/- each commencing from Jun'2023.	9.00%
20	HDFC Bank Vehicle Loan - 142250994	Mahindra XUV 400 (EL5S WQ)	Repayable in 36 monthly installments of Rs. 61,835/- each commencing from Jul'2023.	9.30%
21	HDFC Bank Vehicle Loan - 143260510	Mercedes-Benz E-Class E 220d	Repayable in 60 monthly installments of Rs. 165,692/- each commencing from Oct'2023.	8.50%
22	HDFC Bank Vehicle Loan - 146275707	TATA NEXON	Repayable in 48 monthly installments of Rs. 45,186/- each commencing from Dec'2023.	8.85%
23	HDFC Bank Vehicle Loan - 147982880	Toyota innova crista	Repayable in 48 monthly installments of Rs. 70,156/- each commencing from Feb'2024.	8.80%
24	UNION Bank Vehicle Loan - 013916120000005	Eicher Vehicle	Repayable in 60 monthly installments of Rs. 26,910/- each commencing from Dec'2023.	12.05%
25	ICICI Bank Vehicle Loan - LVHYD00049637696	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of Rs. 26,660/- each commencing from Apr'2024.	10.00%
26	ICICI Bank Vehicle Loan - LVHYD00049637697	Ashok Leyland Bada Dost i4	Repayable in 35 monthly installments of Rs. 26,660/- each commencing from Apr'2024.	10.00%



Notes to financial information

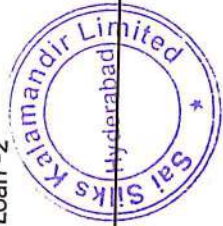
(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

(b) For the period ended Mar 31, 2023

1.0 Nature of Security and terms of repayment for term loans from banks:

Sl No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	STATE BANK OF INDIA Corporate Loan	1st charge on fixed assets of the company excluding showrooms financed by CANARA Bank	1st charge by of Equitable Mortgage of 6 properties and cash collateral belonging to Promoters & their friends and family members as specified in the below schedule. Pari-Passu 2nd charge on entire current assets of the company both present & future along with other term loan lenders	Repayable in 20 Quarterly instalments of Rs. 1.50 Cr per Quarter.	6 Months MCLR + 3.15% With Half Yearly Reset
2	STATE BANK OF INDIA GECL 2.0 (Guaranteed Emergency Credit Line)	Extension of Charge (2nd Charge) on Existing Primary & Collateral Securities		Repayable in 60 Months, Comprising of 12 months moratorium and repayable in 48 monthly instalments of Rs. 50.67 Lacs per Month from the month of Jan-2022.	6 Months MCLR + 1%
3	STATE BANK OF INDIA GECL 2.0 (Guaranteed Emergency Credit Line)	Second charge on the entire assets with the existing credit facilities, in terms of cash flows (including repayments)		Repayable in 72 Months, Comprising of 24 months moratorium and repayable in 48 monthly instalments of Rs. 25.33 Lacs per Month from the month of Jun-2024.	6 Months MCLR + 1%
4	Canara Bank Term Loan -1	Showcases, Furniture and Fixtures and other fixed assets of 8 showrooms - Exclusive First charge by way of hypothecation	1. Pari-passu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 20 Quarterly instalments 1.10 Cr each. (From 30-Jun-19 to 31-Mar-24) And it was reset due to COVID-19 Moratorium as 1,22,42,813 per Quarter from Sep-2021.	1 year MCLR + 2.35%
5	Canara Bank Term Loan -2	Showcases, Furniture and Fixtures and other fixed assets of 2 showrooms - Exclusive First charge by way of hypothecation	1. Pari-passu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 20 Quarterly instalments 0.40 Cr each. Repayment starts from FY 2022-23_Q2	1 year MCLR + 2.70%



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sl No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
6	Canara Bank Term Loan - 3	Showcases, Furniture and Fixtures and other fixed assets of 6 showrooms - Exclusive First charge by way of hypothecation	1. Paripassu II Charge on Stock & Book Debts. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	Repayable in 14 Ballooning Quarterly instalments commencing from Q1 FY 2023-24. The quarterly instalment of each financial year is as follows : FY 2023-24 : Rs. 1.25 Crores Per quarter FY 2024-25 and FY 2025-26 : Rs. 1.50 Per quarter FY 2026-27 : Two quarterly instalments of Rs. 1.235 Crores each	1 year MCLR + 2.20%
7	Canara Bank GECL 2.0 (Guaranteed Emergency Credit Line)	Extension of Charge (2nd Charge) on Existing Primary & Collateral Securities		Repayable in 60 Months, Comprising of 12 months moratorium and repayable in 48 monthly instalments of Rs. 10.63 Lacs per Month from the month of Mar-2022.	1 Year MCLR + 0.6%
8	Canara Bank GECL 2.0 (Extension Scheme)	Extension of Charge (2nd Charge) on Existing Primary & Collateral Securities		Repayable in 72 Months, Comprising of 24 months moratorium and repayable in 48 monthly instalments of Rs. 5.17 Lacs per Month from the month of Jul-2024.	1 Year MCLR + 0.6%
9	Canara Bank Housing Loan - 1	Mortgage of Flat / Houses to be purchased out of loan proceeds. Margin Up to 10%	Nil	Repayable in 180 EMIs	RLLR + 0.1%
10	Canara Bank Housing Loan - 2	EMT / MODTD of 38 Residential Houses / Flats undivided share purchased in the name of the company for using as staff quarters. Margin is 13.04%	Nil	Repayable in 180 Monthly principal instalments (Rs. 10,55,556/-) commencing from November 2022;	1 year MCLR + 1.30%
11	HDFC Bank Term Loan (Business Loan)	Nil	Nil	Repayable in 24 Monthly instalments of Rs. 3,52,526 PM from May-2021.	ROI is 11.85% PA



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

1.1 Nature of Security and terms of repayment for working capital limits from banks:

Sl.N o	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	State Bank of India (CC and SLC)	Pari-passu 1st Charge by way of Hypothecation of entire current assets of the company (Both Present & Future) along with CANARA Bank. Pari-passu 2nd Charge on present & future fixed assets of the company along with other Working capital Lenders	1st Charge by way of Equitable Mortgage of 6 properties belonging to Promoters & their friends and family members as detailed in the below schedule along with Cash Collateral of Rs. 8.50 Cr & Pledge of 30% Paid up shares of the Company held by the promoters	On demand DP Margins : Paid Stock-25% Debtors - 100%	6 Months MCLR + 0.95% With Monthly Reset In Case of SLC, ROI is (Effective ROI on CC + 1%)
2	Canara Bank (CC and WCDL)	Hypothecation of stocks at all showrooms of the company on Pari-passu 1st Charge Basis with SBI, HDFC & IDBI	1. Fixed assets of all showrooms and Intangible assets on Pari-passu II Charge basis. 2. For Term Loan and WC Limits together, the company offered Collateral security as detailed below	On demand DP Margins : Stock & Book Debts - 25% (Cover period is one month for Book Debts)	1 Year MCLR+2.65%
3	HDFC Bank (CC)	Pari-passu 1st Charge on entire current assets of the company along with other member bankers (SBI, Canara Bank & IDBI)	Fixed Deposit of Rs. 10.50 Crores (Constituting 30% of Collateral coverage)	On demand DP Margins : Paid Stock-25% Debtors - 100%	T Bills (3Months) + 2.72%
4	IDBI (CC and WCDL)	Pari-passu 1st Charge on the entire current assets of the company (Both Present & Future) along with other working Capital Banks	Fixed Deposit of Rs. 7.50 Cr (25% of Working Capital limits)	On demand DP Margins : Paid Stock-25% Debtors - 25% (Less than 90 Days)	1 Year MCLR + 1.20%

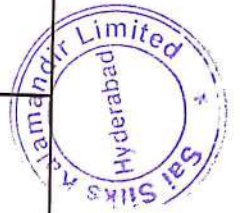


Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

1.2 Schedule of Collateral property

Sl no	Type	Belonging To	Address	Offered to
1	Residential Plot (Admeasuring 332.00 Sq.Yds)	Subhash Chandra Mohan. Annam	Plot No.6p, in Sy. No. 87 & 90 T.S. No. 13 & 14, Shaikpet village & mandal, Hyderabad.	State Bank of India
2	Two Plots of Open Lands (Admeasuring 400.00 Sq.Yds (200.00 Sq.Yds Each))	Ch.N.K.D.Prasad (MD)	D. No. 40-1/1-14E, NTS Nos. 42 & 43, Rev. Ward No.11, Block No.2, Adj. to SVR Neuro Hospital, Mogalrajapuram, Vijayawada	State Bank of India
3	Open Plot (Admeasuring Ac 4.10 Gts)	Mrs. T.R. Saroja	Sy. No. 168, New No. 168/1, Kannurahalli village, Kasaba Hobli, Hoskote Taluk, Bangalore. Out of which Land Converted vide ALN(H)SR80/88-89 of 4.1.1988 By DC Bangalore to an extent of 2 Acres only for Brick Factory	State Bank of India
4	Land and Building (Admeasuring 311.11 Sq.Yds) Being a Cellar + G + 4 Floors commercial Building totally admeasuring 9610 sft. And other civil works there on.	S.Mohan Rao S/o S.Vemkateswarlu and Smt. S.Swarnalatha w/o S.Mohan Rao	H no. 222/MIG/1, (M.C.K no. 15-24-222) KPHB Colony, Phase I & II, Ward No.15, Block No.24, Kuakattally village & Municipality, Balanagar Mandal, RR District (TG).	State Bank of India
5	Open Land (Admeasuring Ac 4.30 Gts)	Smt. M.R.Soumya	In Sy. No. 105/2A1, Bannikoppa Village, Bidadi Hobli, Ramanagar, Bangalore.	State Bank of India
6	Commercial Plot Admeasuring 2893 Sq Yards	Varamahalakshmi Holdings Pvt. Ltd.	Sy no. 8-5-255/1 (7, 7/1, 8 to 12), Diamond Colony, Saroor Nagar, Ranga Reddy, Telangana	State Bank of India
7	Cash Collateral of 8.50 Crores	Existing 2.40 Cr and Addl 6.10 Cr		State Bank of India



[Handwritten signature]

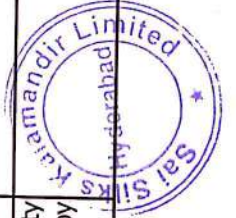
[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

Sl no	Type	Belonging To	Address	Offered to
8	Pledge of 30% of paid up Shares of the company held by the Promoters			State Bank of India
9	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-2, Ramky Pearls in Sy no.143,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
10	Open Plot (Admeasuring 540 Sq Yards)	M/s. Sai Readymade	Plot no. OS-13, Ramky Pearls in Sy no.143,144,145,146,147,149,150,151,152,153,154,155 & 156, Kukatpalli, Medchal-Malkajgiri Dist., Hyd.,TG	CANARA Bank
11	Flat.1 (Admeasuring 2,500 Sft)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.1, Ground Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
12	Flat.8 (Admeasuring 1,450 Sft)	Ch.N.K.D.Prasad (MD)	H no. 6-3-790/8, Flat no.8, 2nd Floor, Bathina Apt, Ameerpet, Hyderabad - 500016	CANARA Bank
13	Land and Building (Admeasuring 268.53 Sq.Yds) G + 1 Floors built-up area of 1,840 Sft	Ch.N.K.D.Prasad (MD)	H no. 6-3-841/E/1, Ameerpet, Hyderabad	CANARA Bank
14	Land and Building (Admeasuring 288.88 Sq.Yds) A.C sheet room of 275 sft	Ch.N.K.D.Prasad (MD)	H no. 33-10-17, Mogalrajpuram, Seetharampuram, Srinivasarao Street, Vijayawada	CANARA Bank
15	Term Deposit of Rs. 15.05 Cr			CANARA Bank
16	Pledged 87,50,000 equity shares of 2/- each held by the promoters			CANARA Bank



Page 2

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.3 Personal Guarantees of the following persons:

Sl No.	Particulars	Offered to
1	Sri Chalavadi Naga Kanaka Durga Prasad S/o C. Krishna Murthy	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
2	Sri Annam Kalyan Srinivas S/o A Chandra Sekhar	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
3	Sri Chalavadi DK Durga Rao S/o C Krishna Murthy	State Bank of India , Canara Bank, HDFC Bank, IDBI Bank
4	Sri Annam Venkata Rajesh S/o A Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
5	Sri Annam Subhash Chandra Mohan S/o A, Chandra Sekhar	State Bank of India, Canara Bank, IDBI Bank
6	Sri S Mohan Rao, S/o Venkateswarlu	State Bank of India
7	Smt S Swarnalatha W/O S Mohan Rao	State Bank of India
8	Smt T R Saroja D/o Late T S Ramaiah	State Bank of India
9	Smt M R Sowmya W/O Girija Shanker	State Bank of India
	Corporate Guarantor	
1	Varamahalakshmi Holdings Pvt. Ltd.	State Bank of India
2	M/s. Sai Readymade (Partnership Firm)	CANARA Bank



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

1.4 Nature of Security and terms of repayment for vehicle loans from banks:

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
1	HDFC Vehicle Loan - 96977239	BMW	Repayable in 60 monthly installments of Rs.2,38,130/- each commencing from Jan'2020.	8.50%
2	HDFC Vehicle Loan - 112686183	Vellfire	Repayable in 60 monthly installments of Rs.1,93,309/- each commencing from Oct'2020.	7.75%
3	Toyota FSIL Vehicelce Loan - NHYD1184355	Toyota Vellfire	Repayable in 60 monthly installments of Rs.1,89,910/- each commencing from Apr'2020.	8.31%
4	Canara Bank Vehicle Loan - 4929603000020	Hyundai Creta	Repayable in 84 monthly installments of Rs. 24,646/- each commencing from Sep'2020.	7.85%
5	Canara Bank Vehicle Loan - 4929603000022	Skoda	Repayable in 78 monthly installments of Rs. 52,506/- each commencing from Sep'2020.	7.85%
6	Canara Bank Vehicle Loan - 4929603000024	Innova	Repayable in 81 monthly installments of Rs. 33,205/- each commencing from Sep'2020.	7.50%
7	Daimler Financial Services India Private Ltd Vehicle Loan - 10139378	Benz	Repayable in 60 monthly installments of Rs.1,54,888/- each commencing from Dec'2019.	7.66%
8	HDFC Vehicle Loan - 123507760	Toyota Vellfire	Repayable in 60 monthly installments of Rs.1,83,062/- each commencing from Nov'2021.	7.10%



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sl.No	Lender	Primary Security	Terms of Payment	Int. Rate Per Annum
9	HDFC BANK Vehicle Loan - 126956703	Innova	Repayable in 60 monthly installments of Rs.47,220/- each commencing from Apr'2022.	7.10%
10	ICICI Vehicle Loan - LAHYD00045304127	THAR	Repayable in 60 monthly installments of Rs.33,307/- each commencing from Apr'2022.	7.40%
11	HDFC Vehicle Loan - 130976729	Range rover sport version	Repayable in 60 monthly installments of Rs.236,806/- each commencing from Jul'2022.	7.35%
12	HDFC Vehicle Loan - 133073148	WAGON R ZXI	Repayable in 39 monthly installments of Rs.19,517/- each commencing from Oct'2022.	8.25%
13	Hdfc Light Commercial Vehicle Loan - 133120420	Eicher Vehicle	Repayable in 48 monthly installments of Rs.40,180/- each commencing from Sep'2022.	8.35%
14	Hdfc Light Commercial Vehicle Loan - 134948629	Eicher Vehicle	Repayable in 48 monthly installments of Rs.37,715/- each commencing from Nov'2022.	8.50%
15	Union Bank Vehicle Loan - 013916520000058	Innova	Repayable in 48 monthly installments of Rs.55,458/- each commencing from Oct'2022.	8.50%
16	HDFC Vehicle Loan - 138174629	Mahindra XUV 700	Repayable in 48 monthly installments of Rs.52,933/- each commencing from Mar'2023.	8.50%
17	Hdfc Light Commercial Vehicle Loan -137570765	Eicher Vehicle	Repayable in 48 monthly installments of Rs.36,950/- each commencing from Feb'2023.	9.00%



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited

1.5 Nature and terms of repayment for loans availed from NBFCs:

Sl.N o	Lender	Security	Terms of Payment	Int. Rate Per Annum	Guarantee
1	OXYZO Financial Services Pvt Ltd	Unsecured	Term loan Repayable in 12 months of Rs. 54,15,499/- starting from Feb-2023	15.00%	Personal Guarantee from NAGA KANAKA DURGA PRASAD CHALAVADI
2	Vivriti Capital private ltd	Unsecured	It is a Invoice Discounting Facility. Repayable in 90 days from date of disbursement or 150 days from the date of invoice whichever is earlier. It has tennure of 12 months from the date of Sanction.	13.00%	Unconditional and irrevocable personal guarantee of a. Mr. Naga Kanaka Durga Prasad Chalavadi b. Mr. Kalyan Srinivas Annam c. Mr. Doodeswara Kanaka Durgarao Chalavadi
3	KREDX(MINIONS VENTURES PVT.LTD)	Unsecured	It is a Invoice Discounting Facility. Repayable in 90 days from the date of disbursement and invoice date should not exceed 90 days from the date of invoice by the time of invoice discounted. It has tennure of 12 months from the date of signing of the agreement	14.00%	Personal Guarantee from NAGA KANAKA DURGA PRASAD CHALAVADI
4	Poonawalla Fincorp Ltd	Unsecured	It is a Invoice Discounting Facility. Repayable in 90 days from date of disbursement or 135 days from the date of invoice whichever is earlier. It has tennure of 12 months from the date of first disbursement	12.00%	NA



[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 42

Reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Profit before tax-A	134.68	133.57
Tax rate - B	25.17%	25.17%
Income tax expense - A*B	33.90	33.62
Tax effect of depreciation in determining taxable profit	(1.15)	(1.18)
Tax effect of expenses other than depreciation that are not deductible in determining taxable profit	3.52	4.69
Adjustments recognised in the current year in relation to prior years	(1.19)	0.14
Effect of Deferred Tax (refer note 20)	(1.26)	(1.29)
Income tax expense recognised in profit or loss	33.82	35.98

Note No. 43**Employee benefits****(a) Salaries and Wages**

Compensatory absence which accrue to the employees which are expected to be availed or encashed within twelve months after the end of the period in which the employees render the related service are short-term in nature. These compensatory absences require measurement on an actual basis and not on actuarial basis.

As per the leave policy of the company, the compensatory absences are paid within the next month from the date they are due and there is no accrual benefit that needs to be accounted as per Ind AS 19. They are processed along with monthly payroll.

(b) Defined contribution plan

The Company makes provident and pension fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes. Expenses recognized against defined contribution plans:

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Contribution to Provident Fund & ESI	3.17	3.28

(c) Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method. The company has obtained actuarial report from Mr. I. Sambasiva Rao (Membership No. 158 of Fellow of Institute of Actuaries of India) under Ind AS 19 for Mar 31, 2024 and Mar 31, 2023 vide reports dated Apr 04, 2024 and Apr 11, 2023 and respectively.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(d) Other disclosures of defined benefit plans as required under Ind AS-19 are as under:

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Service Cost	1.20	0.98
Interest Cost	0.38	0.20
Components of defined benefit costs recognised in statement of profit or loss - (A)	1.58	1.18
Actuarial (gain) / loss on plan obligations	(0.11)	1.23
Difference between actual return and interest income on plan assets - (gain) /loss	-	-
Components of defined benefit costs recognised in other comprehensive income - (B)	(0.11)	1.23
Total (A+B)	1.47	2.41

(e) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

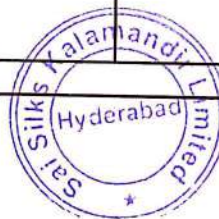
Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Present value of defined benefit obligation	6.65	5.18
Less: Fair value of plan assets	-	-
Net liability recognised in the balance sheet	6.65	5.18
Current portion of the above (refer note 25)	0.72	0.54
Non-current portion of the above (refer note 19)	5.93	4.64

(f) Movement in the present value of the defined benefit obligation are as follows:

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Present value of defined benefit obligation at the beginning of the year	5.18	2.77
Expenses Recognised in statement of Profit & Loss		
Service cost	1.20	0.98
Interest cost	0.38	0.20
Expenses Recognised in statement of OCI		
Actuarial (gain)/loss	(0.11)	1.23
Benefits paid by the company		
Present value of the defined benefit obligation at the end of year	6.65	5.18

(g) Sensitivity analysis

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Present value of the defined benefit obligation at the end of year	6.65	5.18
Impact of the change in the discount rate		
Impact due to increase of 1.00%	6.14	4.77
Impact due to decrease of 1.00%	7.25	5.65
Impact of the change in the withdrawal rate		
Impact due to increase of 1.00%	6.78	5.29
Impact due to decrease of 1.00%	6.51	5.05
Impact of the change in the salary		
Impact due to increase of 1.00%	7.26	5.66
Impact due to decrease of 1.00%	6.12	4.76



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(h) Maturity profile - Expected Future Cash flows (Undiscounted)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
0 to 1 year	0.74	0.55
1 to 2 year	0.47	0.37
2 to 3 year	0.46	0.38
3 to 4 year	0.48	0.39
4 to 5 year	0.78	0.39
above 5 Years	11.46	9.69

(i) Actuarial assumptions

Particulars	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Discount rate	7.22%	7.51%
Salary escalation	4.00%	4.00%
Withdrawal rate	5.00%	5.00%

(j) The Indian Parliament has approved the Code on Social Security 2020, which would impact Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972, etc. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be framed. The impact of the changes, will be assessed and recognized post notification of the relevant provision and related rules are published.

Note No. 44**Segment reporting**

The Company is primarily engaged in the business of retail trade through retail and departmental stores facilities, which in the terms of Ind AS 108 on 'Operating Segments', constitutes a single reporting business segment.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended 31 Mar 2024 and Mar 2023 the revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.



[Handwritten signature]
2024

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Note No. 45**Related Party Disclosures****a) List of related parties**

Index No	Nature of relationship	Name of the related party
1	Key Managerial Personnel (KMP)	(a) Naga Kanaka Durga Prasad Chalavadi - MD (b) Kalyana Srinivas Annam - WTD (c) Doodeswara Kanaka Durga Rao Chalavadi - Director (d) Koti Bhaskara Teja Matte - Company Secretary (e) Konduri V L N Sarma - CFO (f) Chakradhar Boorlagadda
2	Independent Directors	(a) Mamidipudi Ravindra Vikram (b) Pramod Kasat (c) K.V.Ramakrishna (d) Sirisha Chintapalli
3	Relative of KMP	(a) Jhansi Rani Chalavadi (b) Venkata Rajesh Annam (c) Sowjanya Annam (d) Suchitra Annam (e) Mohana Durga Rao Chalavadi (f) Supriya Padarthy (g) Bhavani Annam (h) Lavanya Mankal (i) Krishna Murty Chalavadi (j) Devamani Venkata Kanaka Hanisha Chalavadi (k) Balaji Bharadwaj Rachamadugu
4	Enterprises over which director is having significant influence	(a) Sai Readymades (b) Sai Retail India Limited (c) SSS Marketing (d) Sai Swarnamandir Jewellers Private Limited (e) Sumaja Creations (f) Kalamandir Foundation (g) Varamahalakshmi Holdings Private Limited (h) Soul of Pluto Tech LLP
5	Enterprises over which Company is having significant influence	(a) SSKL Employees Trust



Handwritten signature/initials in blue ink.

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Sai Silks (Kalamandir) Limited**(b) Transactions with related parties are set out in the table below**

Particulars	For the period ended Mar 31, 2024	For the period ended Mar 31, 2023
(i) Purchases		
(a) Sai Retail India Limited	-	200.86
(ii) Rent (Expense)		
(a) Varamahalakshmi Holdings Pvt Ltd.	0.14	0.13
(b) Naga Kanaka Durga Prasad Chalavadi	0.65	0.56
(c) Jhansi Rani Chalavadi	0.07	0.06
(d) Devamani Venkata Kanaka Hanisha Chalavadi	0.05	0.01
(iii) Other Income - Rent		
(a) Soul of Pluto Tech LLP	0.14	0.14
(iv) Salary / Remuneration		
(a) Naga Kanaka Durga Prasad Chalavadi	5.00	5.00
(b) Jhansi Rani Chalavadi	1.00	1.00
(c) Kalyana Srinivas Annam	1.99	1.99
(d) Doondeswara Kanaka Durga Rao Chalavadi	0.39	0.39
(e) Venkata Rajesh Annam	0.89	0.89
(f) Sowjanya Annam	0.27	0.27
(g) Suchitra Annam	0.27	0.27
(h) Mohana Durga Rao Chalavadi	0.39	0.39
(i) Supriya Padarthy	0.11	0.11
(j) Bhavani Annam	0.21	0.21
(k) Lavanya Mankal	0.11	0.11
(l) Devamani Venkata Kanaka Durga Hanisha Chalava	0.12	0.12
(m) Balaji Bharadwaj Rachamadugu	0.54	0.54
(n) Konduri V L N Sarma	1.08	1.08
(o) Koti Bhaskara Teja Matte	0.10	0.10
(p) Annam Subhash	-	0.07
(q) Chakradhar Boorlagadda	0.35	0.14
(v) Rent expenses - Commission		
(a) SSS Marketing	0.18	0.19
(vi) Business Promotion Expenses - Advertisement		
(a) Sumaja Creations	7.48	11.28
(vii) Professional charges - Software Consultation / Maintenance (Exp)		
(a) Soul of Pluto Tech LLP	4.13	3.30
(viii) Other Expenses - Sitting fees		
(a) Mamidipudi Ravindra Vikram	0.06	0.05
(b) Pramod Kasat	0.06	0.05
(c) K.V.Ramakrishna	0.06	0.03
(d) Sirisha Chintapalli	0.07	0.04



[Handwritten signature]

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Particulars	For the period ended Mar 31, 2024	For the period ended Mar 31, 2023
(ix) Donations (Partly qualified as CSR Exp)		
(a) Kalamandir Foundation	1.54	0.34
(x) Advances Takenover		
(a) Sai Retail India Limited	-	5.47
(xi) Fixed Assets / Packing Materials purchased		
(a) Sai Retail India Limited	0.46	6.13
(xii) Loans Given		
(a) SSKL Employee Trust	-	13.25
(xiii) Shares issued during the year		
(a) SSKL Employee Trust	-	13.24
(xiv) Amount received to IPO Public Offer A/c of the Company on behalf of Selling Share Holders*		
(a) Nagakanaka Durga Prasad Chalavadi	142.29	-
(b) Kalyan Srinivas Annam	140.90	-
(c) Doodeswara Kanaka Durga Rao Chalavadi	14.57	-
(d) Jhansi Rani Chalavadi	176.48	-
(e) Dhanalakshmi Perumalla	68.46	-
(f) Venkata Rajesh Annam	11.22	-
(g) Subash Chandra Mohan Annam	47.08	-

*This amount is held in the IPO Public Offer account in a fiduciary capacity on behalf of the Selling Shareholders. Out of The amount received on behalf of the Selling Shareholders to the Public Offer Account, a significant part of the amount was transferred to the respective Shareholders and the remaining balance will be transferred upon finalisation of the IPO expenses related to them.



Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

c. Related party balances: (Payable)/Receivable

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
(a) SSS Marketing		
- Other Current Financial Liabilities	(0.13)	(0.11)
- Other Non Current Financial Assets	0.12	0.12
	(0.01)	0.01
(b) Sumaja Creations - Other Current Financial Liabilities	(1.06)	(4.00)
(c) Soul of Pluto Tech LLP		
- Other Current Financial Liabilities	(1.03)	(0.33)
- Other Non Current Financial Liabilities	(0.06)	(0.06)
	(1.09)	(0.39)
(d) Varamahalakshmi Holdings Pvt Ltd. - Other Current Financial Liabilities	0.09	0.09
(e) Naga Kanaka Durga Prasad Chalavadi		
- Other Current Financial Liabilities	(0.42)	(0.37)
- Other Non Current Financial Assets	0.11	0.11
	(0.31)	(0.26)
(f) Jhansi Rani Chalavadi		
- Other Current Financial Liabilities	(0.08)	(0.07)
- Other Non Current Financial Assets	0.02	0.02
	(0.06)	(0.05)
(g) SSKL Employee Trust		
- Loans Given	13.25	13.25
- Shares allotted	(13.24)	(13.24)
	0.01	0.01



[Handwritten signature]

Notes to financial information**Sai Silks (Kalamandir) Limited**

(All amounts are in INR Crores, except otherwise stated)

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Other Current Financial Liabilities		
(h) Kalyana Srinivas Annam	(0.10)	(0.11)
(i) Doondeswara Kanaka Durga Rao Chalavadi	(0.02)	(0.03)
(j) Venkata Rajesh Annam	(0.07)	(0.05)
(k) Sowjanya Annam	(0.02)	(0.02)
(l) Suchitra Annam	(0.00)	(0.02)
(m) Mohana Durga Rao Chalavadi	(0.03)	(0.02)
(n) Supriya Padarthy	(0.01)	(0.01)
(o) Bhavani Annam	(0.01)	(0.01)
(p) Lavanya Mankal	(0.01)	(0.01)
(q) Devamani Venkata Kanaka Durga Hanisha Chalavadi	(0.01)	(0.01)
(r) Balaji Bharadwaj Rachamadugu	(0.03)	(0.03)
(s) Konduri V L N Sarma	(0.05)	(0.37)
(t) Koti Bhaskara Teja Matte	(0.01)	(0.01)
(u) Mamidipudi Ravindra Vikram	-	(0.01)
(v) Pramod Kasat	-	(0.01)
(w) K.V.Ramakrishna	-	(0.01)
(x) Sirisha Chintapalli	-	(0.00)
(y) Chakradhar Boorlagadda	(0.01)	(0.01)
Held in a fiduciary capacity on behalf of the Selling Shareholders		
(a) Nagakanaka Durga Prasad Chalavadi	(0.14)	-
(b) Kalyan Srinivas Annam	(0.14)	-
(c) Doodeswara Kanaka Durga Rao Chalavadi	(0.01)	-
(d) Jhansi Rani Chalavadi	(0.18)	-
(e) Dhanalakshmi Perumalla	(0.07)	-
(f) Venkata Rajesh Annam	(0.01)	-
(g) Subash Chandra Mohan Annam	(0.05)	-



[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 46

Capital and Financial risk management objectives and policies

(a) Risk management framework

Company is being driven by the market forces, its businesses are subject to several risks and uncertainties including financial risks. The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the business is exposed to, in the course of their daily operations.

The risk management policies cover areas around all identified business risks including commodity price risk, foreign exchange risk etc., Risks are identified through a formal risk management programme with active involvement of senior management personnel and business managers. The Company has in place risk management processes in line with the Company's policy. Each significant risk has an owner, who coordinates the risk management process.

The risk management framework aims to:

- Better understand our risk profile;
- Understand and better manage the uncertainties which impact our performance;
- Contribute to safeguarding Company value and interest of various stakeholders;
- Ensure that sound business opportunities are identified and pursued without exposing the business to an unacceptable level of risk;
- Improve compliance with good corporate governance guidelines and practices as well as laws & regulations; and
- Improve financial returns

Treasury management

The Company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury operates as per the delegation of authority from the Board. Day-to-day treasury operations are managed by Company's finance team. Long-term fund raising including strategic treasury initiatives are handled by a Treasury team. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest through proven financial instruments.

(i) Liquidity

The Company requires funds both for short-term operational needs as well as for long-term investment programmes mainly in growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short-term investments provide liquidity both in the short-term as well as in the long-term.

The Company has been rated by "India Ratings" for its banking facilities in line norms.

The Company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

The figures reflect the contractual undiscounted cash obligation of the Company.

The Company has hypothecated its trade receivables, inventory, advances and other current assets in order to fulfil the collateral requirements for the financial facilities in place. There are no other significant terms and conditions associated with the use of collateral.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date

Particulars	Carrying value	less than 1 year	more than 1 year
Mar 31, 2024			
Lease liabilities	206.48	14.19	192.29
Borrowings	22.62	-	22.62
Other financial non-current liabilities	2.59	-	2.59
Borrowings	235.13	235.13	-
Trade payables	59.22	59.22	-
Other financial liabilities	29.13	29.13	-
Total	555.17	337.67	217.50
Mar 31, 2023			
Lease liabilities	180.42	14.04	166.38
Borrowings	65.38	-	65.38
Other financial non-current liabilities	2.70	-	2.70
Borrowings	280.12	280.12	-
Trade payables	230.02	230.02	-
Other financial liabilities	31.81	31.81	-
Total	790.45	555.99	234.46

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the other payables. The risks primarily relate to fluctuations in US Dollar, GBP against the functional currencies of the Company. The Company's exposure to foreign currency changes for all other currencies is not material. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(iii) Credit risk

Credit risk is the risk that the counter party will not meet its obligation under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. The carrying amount of trade receivables, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk.

Credit risk from balances with banks is managed by the Company's treasury department in accordance with Company's policy. No other financial asset carry a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.. Since company operates on business model of primarily cash and carry, credit risk from receivable perspective is insignificant.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(b) Capital management and Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is debt divided by total capital. The Company includes within debt, interest bearing loans and borrowings.

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Borrowings		
Non current	22.62	65.38
Current	235.13	280.12
Debt	257.75	345.50
Equity share capital	29.47	24.06
Other equity	1,033.47	373.27
Total capital	1,062.94	397.33
Gearing ratio in (Capital/Debt)	4.12	1.15

Note No. 47**Financial instrument and risk management****(a) Categories of financial instruments**

The carrying value of the financial instruments by categories

Particulars	Carrying Value	
	As at Mar 31, 2024	As at Mar 31, 2023
Financial assets		
Measured at amortised cost		
Other financial non-current assets	31.83	27.65
Trade receivables	3.31	2.88
Cash and cash equivalents	44.27	4.61
Bank balances other than cash and cash equivalents	357.37	45.09
Loans	20.69	34.40
Other financial assets	3.95	0.89
Total	461.42	115.52
Financial liabilities		
Measured at amortised cost		
Lease liabilities	206.48	180.42
Borrowings	22.62	65.38
Other financial non-current liabilities	2.59	2.70
Borrowings	235.13	280.12
Trade payables	59.22	230.02
Other financial liabilities	29.13	31.81
Total	555.17	790.45



[Handwritten signature]

[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Particulars	Fair Value	
	As at Mar 31, 2024	As at Mar 31, 2023
Financial assets		
Measured at amortised cost		
Other financial non-current assets	31.83	27.65
Trade receivables	3.31	2.88
Cash and cash equivalents	44.27	4.61
Bank balances other than cash and cash equivalents	357.37	45.09
Loans	20.69	34.40
Other financial assets	3.95	0.89
Total	461.42	115.52
Financial liabilities		
Measured at amortised cost		
Lease liabilities	206.48	180.42
Borrowings	22.62	65.38
Other financial non-current liabilities	2.59	2.70
Borrowings	235.13	280.12
Trade payables	59.22	230.02
Other financial liabilities	29.13	31.81
Total	555.17	790.45

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The Company has disclosed financial instruments such as borrowings, trade payable, and other current liabilities, loans, trade receivable, cash and cash equivalents and bank balances other than cash and cash equivalents at carrying value because their carrying values are a reasonable approximation of the fair values due to their short term nature.
- Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counter party.



[Handwritten signature]

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(iii) Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Disclosures of fair value measurement hierarchy for financial instruments are given below

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Level 3		
Financial Assets, measured at Amortised Cost		
Other financial non-current assets	31.83	27.65
Trade receivables	3.31	2.88
Cash and cash equivalents	44.27	4.61
Bank balances other than cash and cash equivalents	357.37	45.09
Loans	20.69	34.40
Other financial assets	3.95	0.89
Total	461.42	115.52
Financial liabilities Measured at amortised cost		
Lease liabilities	206.48	180.42
Borrowings	22.62	65.38
Other financial non-current liabilities	2.59	2.70
Borrowings	235.13	280.12
Trade payables	59.22	230.02
Other financial liabilities	29.13	31.81
Total	555.17	790.45



Note No. 48**Key Ratios**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023	Variance	Remarks for variance Morethan 25%
a) Current Ratio:	3.41	1.41	142.30%	Decrease in CL due to payment of Creditors by utilising IPO funds & Increase in CA due to Unutilised IPO funds held in Fixed Deposits
Current Assets	1,175.08	804.72		
Current Liabilities	345.05	572.54		
b) Debt Equity:	0.24	0.87	-72.11%	Due to inflow of fresh equity of Rs. 600 Cr through IPO.
Total Debt (long-term and short-term interest bearing)	257.75	345.50		
Shareholder's Equity	1,062.94	397.33		
c) Debt Service Coverage Ratio:	2.59	2.99	-13.37%	Not Applicable
Earnings available for Debt Service	233.65	219.20		
Debt Service (Obligation)*	90.25	73.35		
* Excluding the Prepayment made through IPO funds (which is in excess of amount to be repaid as per repayment schedule)				
d) Return on Equity:	13.81%	27.96%	-50.60%	Rs. 600 Cr equity through IPO are under the process of deployment
Net Profits after taxes	100.87	97.59		
Average Shareholder's Equity	730.14	349.00		
e) Inventory Turnover Ratio:	1.94	2.32	-16.12%	Not Applicable
Total Sales	1,373.55	1,351.47		
Average Inventory	706.49	583.09		
f) Trade Receivables Turnover:	443.78	565.89	-21.58%	Not Applicable
Total Sales	1,373.55	1,351.47		
Average Accounts Receivable	3.10	2.39		
g) Trade Payables Turnover:	5.87	5.77	1.74%	Not Applicable
Total Purchases	848.56	1,035.61		
Average Trades Payable	144.62	179.57		
h) Net Capital Turnover:	2.59	7.02	-63.14%	Decrease in CL due to payment of Creditors by utilising IPO funds & Increase in CA due to Unutilised IPO funds held in Fixed Deposits
Total Sales	1,373.55	1,351.47		
Average Working Capital	531.11	192.62		
i) Net Profit Ratio:	7.34%	7.22%	1.69%	Not Applicable
Net Profit	100.87	97.59		
Total Sales	1,373.55	1,351.47		
j) Return on Capital Employed:	13.94%	23.55%	-40.81%	Due to inflow of fresh equity of Rs. 600 Cr through IPO & the funds are under the process of deployment
Earning before interest and taxes	187.54	178.98		
Capital Employed	1,345.38	759.97		
k) Return on Investment*	NA	NA	NA	Not Applicable
* There are no investments made by the company, as such the ratio is not applicable.				

Financial Performance Indicators (KPIs):

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Revenue from Operations	1,373.55	1,351.47
EBITDA	211.98	212.53
EBITDA Margin	15.43%	15.73%
Gross Margin	558.88	528.85
Gross Margin (%)	40.69%	39.13%



2024

Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

Note No. 49**Reconciliation of quarterly bank returns**

Name of Bank	Particulars	Quarter	Amount as per	Amount as	Amount of difference
			books of	reported in	
			Accounts	quarterly returns	
Working Capital Lenders*	Inventories	June-23	708.35	708.35	-
	Receivables (Subject to DP)	June-23	1.97	1.97	-
	Trade Payables	June-23	215.86	215.86	-
Working Capital Lenders*	Inventories	September-23	719.15	719.15	-
	Receivables (Subject to DP)	September-23	1.72	1.72	-
	Trade Payables	September-23	230.49	230.49	-
Working Capital Lenders*	Inventories	December-23	773.13	773.13	-
	Receivables (Subject to DP)	December-23	1.87	1.87	-
	Trade Payables	December-23	253.88	253.88	-
Working Capital Lenders*	Inventories	March-24	723.04	723.04	-
	Receivables (Subject to DP)	March-24	2.46	2.46	-
	Trade Payables	March-24	59.22	59.22	-

*Yes Bank & ICICI Bank are represented as Working Capital Lenders as at 31st Mar, 2024.

Note No. 50**Foreign exchange earnings and outgo**

Particulars	FY 2023-24	FY 2022-23
CIF Value of imports	-	0.16
Value of import of Services	0.92	1.51
Expenditure in foreign currency	0.92	1.51

Note No. 51**(a) Title deeds of immovable properties**

Title deeds of immovable properties are held in the name of the Company.

(b) Valuation of Property Plant & Equipment, intangible asset

The Company has not revalued its fixed assets.

(c) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

(d) Details of benami property held

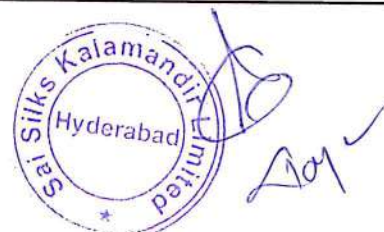
The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company.

(e) Borrowing secured against current assets

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

(f) Wilful defaulter

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.



Notes to financial information

(All amounts are in INR Crores, except otherwise stated)

(g) Relationship with struck off companies

The Company does not have any transactions with companies struck off.

(h) Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company does not have pending registration or satisfaction of charge to be registered with ROC beyond the statutory time period except in 2 instances of vehicle loans availed from ICICI Bank. The sanctioned limit of those loans of Rs. 0.16 Crores and it was filed on 22nd May, 2024 & registered with the ROC.

(i) Compliance with number of layers of companies

The Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017 is not applicable to the company.

(j) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(k) Utilisation of borrowed funds and securities premium

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 Company (Ultimate Beneficiaries);
- 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

(l) Undisclosed income

The Company does not have any such 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).

(m) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency.

(n) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from the Banks and Financial Institutions have been applied for the purposes for which such loans were taken.

(o) Proposed Dividend subject to the approval of share holders in the Annual General Meeting

The Board of Directors at their meeting held on May 24, 2024 have recommended a final dividend of Rs.1.00 (50 % of face value) per equity share of Rs.2.00/- each subject to the approval of the shareholders and are not recognised as a liability as at 31 March,2024.

As per our audit report of even date

For SAGAR & ASSOCIATES

Chartered Accountants

CA. D. Manohar

Partner

Membership No. 029644

F. No. 003510S

Place: Hyderabad

Date: 24-05-2024

For and on behalf of the board

Ch.N.K.D.Prasad

Managing Director

DIN : 01929166

K V L N Sarma

Chief Financial Officer

Annam Kalyan Srinivas

Whole Time Director

DIN : 02428313

M K Bhaskara Teja

Company Secretary