

BOARD REPORT

To
The Members of
Sparkling Chains Private Limited

Your directors have pleasure in submitting their 1st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2025.

FINANCIAL RESULTS:

The Company was originally incorporated as a Limited Liability Partnership on 25th July, 2020 and was subsequently converted into a Company under the provisions of the Companies Act, 2013, effective from 17th May, 2024 and the Company's financial performance for the year under review is given hereunder:

| Particulars | (Rupees in Lakhs) |
|--|-------------------|
| | 2024-25 |
| Revenue from Operations | 37,156.53 |
| Other Income | 247.44 |
| Total Income | 37,403.97 |
| Total Expenses | 35,977.18 |
| Profit / (Loss) before Extra-ordinary items and Tax | 1,426.78 |
| Preliminary Expenses Written off | - |
| Profit / (Loss) Before Tax | 1,426.78 |
| Tax Expense | 345.68 |
| Profit / (Loss) After Tax | 1,081.10 |
| Balance carried to General Reserve | 1,081.10 |

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

There was no change in the nature of the business of the Company, during the year under review. During the year under review, the Company has incurred a Profit of Rs. 1,081.10/- (In Lakhs)

DIVIDEND:

With a view to conserve resources, your directors have thought it prudent not to recommend any dividend for the financial year under review.

TRANSFER OF UNCLAIMED DIVIDEND AND UNCLAIMED SHARES:

Not Applicable as the Company has not declared a Dividend till date.

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Dept. No. : Account : +91 70212 26968 Order : +91 85648 23333 Landline No : 022 - 6268 8091

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CIN No.:U32111MH2024PTC425382

TRANSFER TO RESERVE

The Company has transferred all the profits to the General Reserve.

SHARE CAPITAL:

The Company has neither issued any class or category of shares, Employee Stock Options or Sweat Equity during the year under review. The Authorised Share Capital of the Company is Rs. 10,00,000 (Rupees Ten Lakhs Only), divided into 1,00,000 (One Lakh only) Equity Shares of Rs. 10/- each, and issued and paid-up capital of the Company is Rs. 8,44,870 (Rupees Eight Lakhs Forty Four Thousand Eight Hundred and Seventy Only) divided into 84,487 (Eighty Four Thousand Four Hundred and Eighty Seven only) Equity Shares of Rs. 10/- each which has remained unchanged during the year under review.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:

Pursuant to the approval of the Board of Directors of the Company at its meeting held on 5th September 2024, the Company has considered and approved the issue and allotment of 11,415 equity shares at an issue price of Rs. 13,140/- per equity share and thereafter Pursuant to the approval of the Board of Directors of the Company at its meeting held on 18th October 2024, the Company has considered and approved the issue and allotment of 53,272 equity shares at an issue price of Rs. 13,140/- per equity share as determined in terms of the Companies Act, 2013; Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debenture) Rules, 2014 and other applicable rules.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, the Company is a Wholly Owned Subsidiary of Sky Gold and Diamonds Limited (Formerly known as Sky Gold Limited), the Company does not have any Subsidiary Company/Joint Venture/Associate Company.

DEPOSITS:

The Company has neither accepted nor renewed any under the provisions of Section 73 of the Companies Act, 2013 and the rules made thereunder during the year under review.

UNSECURED LOAN FROM DIRECTORS:

During the year under review, the Company has availed unsecured loan(s) from its Directors. The loan(s) are in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder.

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PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

All transactions/contracts/arrangements entered into by the Company with related party (ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review were in the ordinary course of business and on an arm's length basis. Details of material contracts or arrangement or transactions at arm's length basis (if any) are disclosed in the Financial Statement of the Company for the financial year 2024-25.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 134(3) of the Companies Act, 2013 read with the Rule 8(3) of Companies (Accounts) Rules 2014.

A. CONSERVATION OF ENERGY

The Disclosure of particulars with respect to conservation of energy pursuant to Section 134(3)(m) of the Companies Act, 2013 are not applicable of the Company. However the Company has made best efforts and adopted all relevant measures for conservation of the Company.

B. TECHNOLOGY ABSORPTION

The Company has not imported any technology and no significant expenditure has been incurred on the Research and Development Activities.

C. FOREIGN EXCHANGE EARNING & OUTGO

During the year under consideration, the Foreign Exchange Earnings and Expenditures were as follows:

| Particulars | (Rupees in Lakhs) |
|---------------------------|------------------------|
| | Financial Year 2025-26 |
| Foreign exchange Paid | NIL |
| Foreign exchange Received | NIL |

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has in place mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The potential risks are inventoried and

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integrated with the management process such that they receive the necessary consideration during decision making

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review the Company, all Loans, Guarantees, and Investment made are as per Section 186 of the Companies Act, 2013 and form part of Notes to the Financial Statements.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN:

The Company does not have its website and hence web link of the Annual Return in Form MGT-7 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is not given in the Report.

DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

MATTERS RELATED TO THE BOARD OF DIRECTORS:

a. Board of Directors

During the financial year under review, following is the Composition of Board of Director took place:

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i. The following are the Directors of the Company as on 31st March, 2025:

| Sr. No. | Name of Director | DIN |
|---------|----------------------------|----------|
| 1. | Mangesh Ramesh Chauhan | 02138048 |
| 2. | Darshan Ramesh Chauhan | 02138075 |
| 3. | Mahendra Champalal Chauhan | 02138084 |

ii. Retirement by Rotation:

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Darshan Ramesh Chauhan (DIN: 02138075) will retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment. The board of directors recommended its re-appointment for the member's approval.

b. Declaration by Directors

Based on the declarations and confirmations received, none of the Directors of the Company are disqualified from being appointed/continuing as Directors in terms of section 164(2) of the Act.

c. Declaration by Independent Directors

The provisions of Section 149(4) of the Act pertaining to the appointment of Independent Directors are not applicable to the Company.

d. Familiarisation Program For Independent Directors:

The Company do not require to have Independent Director.

e. Compliance With Applicable Secretarial Standards:

The Company has duly followed the applicable Secretarial standards, relating to Meeting of the Board of Directors (SS-1) and General Meeting (SS-2), issued by the Institute of Company Secretaries of India (ICSI).

BOARD MEETINGS:

The Board of Directors met **10 times** during the period under review in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

| Sr. No. | Date of meeting | Name of the Directors | | |
|---------|-----------------|------------------------|------------------------|----------------------------|
| | | Mangesh Ramesh Chauhan | Darshan Ramesh Chauhan | Mahendra Champalal Chauhan |
| 1 | 05-04-2024 | Present | Present | - |

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| | | | | |
|----|------------|---------|---------|---------|
| 2 | 04-05-2024 | Present | Present | - |
| 3 | 24-05-2024 | Present | Present | - |
| 4 | 20-06-2024 | Present | Present | - |
| 5 | 04-09-2024 | Present | Present | Present |
| 6 | 05-09-2024 | Present | Present | Present |
| 7 | 30-09-2024 | Present | Present | Present |
| 8 | 18-10-2024 | Present | Present | Present |
| 9 | 23-10-2024 | Present | Present | Present |
| 10 | 06-01-2025 | Present | Present | Present |

The Company has complied with the applicable Secretarial Standards in respect of all the above-Board meetings.

DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS:

Pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactments thereof), the Board of Directors had appointed M/s V J Shah & Co., Chartered Accountants (Firm Registration No. 109823W) as the First Statutory Auditors of the Company.

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The Board proposes to re-appoint M/s V J Shah & Co., Chartered Accountants (Firm Registration No. 109823W), as the Statutory Auditors of the Company for a further term of five consecutive years from the Financial Year 2025-26 to Financial Year 2029-30, subject to the approval of the members at the ensuing Annual General Meeting, on such remuneration and out-of-pocket expenses as may be mutually agreed between the Board of Directors and the Auditors.

REPORTING OF FRAUDS BY STATUTORY AUDITORS:

During the year under review, the Statutory Auditors have not reported any instance of frauds committed in the Company by its officers or employees to the Board of Directors under Section 143(12) of the Act details of which needs to be mentioned in this Report.

SECRETARIAL AUDITOR:

The Company is not required to appoint Secretarial Auditors as it does not fall under the purview of the provisions of Section 204 (1) of the Act read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

INTERNAL AUDITORS

The Company is not required to appoint Internal Auditors, as it does not fall under the purview of the provisions of Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014.

MAINTENANCE OF COST RECORDS

The Central Government has not specified maintenance of cost records for any services rendered by the Company under section 148(1) of the Act.

COMMITTEES OF THE BOARD OF DIRECTORS

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company. Hence, disclosure pursuant to Section 177 (8) of the Companies Act, 2013 is not required.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Company.

GENERAL DISCLOSURE

No application has been made nor is any proceeding pending by/against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

During the year under review, there was no instance of one-time settlement with any Bank or Financial Institution.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rules thereunder, the Company did not receive any complaint of sexual harassment during the year under review.

Number of complaints received: Nil

Number of complaints disposed off: Nil

Number of complaints pending beyond 90 days: Nil

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COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

GENDER-WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on the March 31, 2025.

Male Employees: 67

Female Employees: 1

Transgender Employees: 0

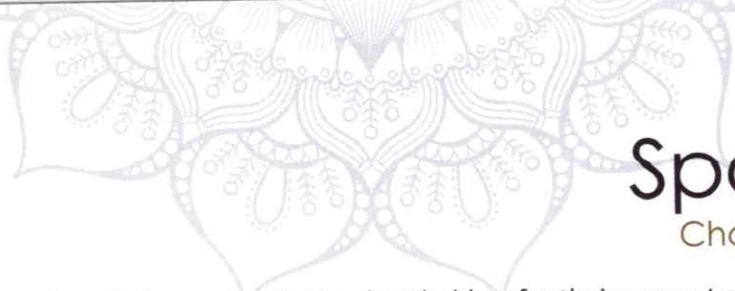
This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender.

PARTICULAR OF EMPLOYEES:

During the year under review, none of the employee has drawn remuneration above the limit as mentioned in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENTS:

Your directors place on records their sincere thanks to employees, bankers, business associates, consultants, and various Government Authorities for their continued support extended to the Company's activities during the year under review.



Sparkling

Chains Pvt. Ltd.

Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.

For and on behalf of the Board

Mangesh Chauhan
Director
DIN: 02138048
Date: 01/09/2025
Place: Navi Mumbai

Darshan Chauhan
Director
DIN:02138075
Date: 01/09/2025
Place: Navi Mumbai



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INDEPENDENT AUDITORS' REPORT

To the Members of
SPARKLING CHAINS PRIVATE LIMITED,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SPARKLING CHAINS PRIVATE LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025 and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Cash Flow Statement for the period then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "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 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 31st March 2025, its profit (including other comprehensive income), its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for 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 and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes of equity of the company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards specified under section 133 of the Act. 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 IND AS 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the IND AS 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the IND AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the standalone financial information of business activities within the company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entities.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Other Matter

The financial statements of the Company for the year ended 31st March 2025 are the first financial statements prepared subsequent to the conversion of the erstwhile Limited Liability Partnership (LLP), namely Sparkling Chains LLP, into a Private Limited Company under the Companies Act, 2013. We were not the statutory auditors of the said LLP for the preceding period and have, therefore, relied upon the audited financial statements of the LLP as at 31st May 2024, as audited by M/s Jain Kishor & Co (FRN:103921W), whose report dated 06th May, 2025 has been furnished to us. The opening balances of the Private Limited Company have been taken based on the said audited closing balances of the LLP. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor report) Order, 2020 ("The Order") Issued by the Central Government of India in terms of Section 143(11) of the Act, we give the "Annexure – A" statement on the matter specified in paragraph 3 & 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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; except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Cash Flow Statement and Standalone Statement of changes in equity 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e. On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company does not have any pending litigations, which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (i). The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall :
 - 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 on behalf of the Ultimate Beneficiaries;(ii). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - 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")
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;(iii). Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under d(i) and d(ii) above, contain any material misstatement.
- v. Since the Company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid in accordance with the section 123 of the Companies Act, 2013 does not arise.
- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining books of account 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 respective software.



V J SHAH & CO
CHARTERED ACCOUNTANTS

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- h. With respect to the 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 to the best of our information and according to the explanations given to us, no remuneration was paid by the Company to its directors during the year. Accordingly, the provisions of Section 197 read with Schedule V of the Act are not applicable.

UDIN: 25152425BMIESR7481

For **V J SHAH & CO**
Chartered Accountants
Firm Registration No.: 109823W

NIRAV M MALDE
(PARTNER)
Membership No. 152425



Place: Mumbai
Date: 27th May, 2025

SPARKLING CHAINS PRIVATE LIMITED

Annexure "A" Auditors' Report

Annexure referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's Report on the Accounts of SPARKLING CHAINS PRIVATE LIMITED ("the company") for the year ended 31st March, 2025.

- i. a. A. The company has maintained proper records showing full particulars, including quantitative details and situations of Property, Plant and Equipment.

B. According to the information and explanations provided to us, the company does not have any intangible assets. Therefore, reporting under clause 3(i)(a)(B) 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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plants and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were 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, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) are 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 & Equipment (including Right of Use assets) and Intangible Assets or both during the year.
- e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings are initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. In respect of Inventories:
 - a. As explained to us, the inventory has been physically verified by the management at regular intervals during the year. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out in Note No.49 to the Financial Statements.
- iii. a. According to the information and explanations given to us and on the basis of examination of books and record by us,

(A) The Company has not granted any loans or provided advances in the nature of loans or stood guarantee or provided security to its holding company, joint ventures and associates during the

year. Accordingly, reporting under clause 3(iii)(a)(A) of the order is not applicable.

(B) The company has only granted unsecured loans or advances in the nature of loans to employees as specified below:

| Loans to Employees | Amounts (Rs. In Lacs) |
|---|-----------------------|
| Aggregate amount granted during the year | 16.12 |
| Balance outstanding at the balance sheet date | 14.39 |

b. According to the information and explanations given to us and on the basis of examination of books and record by us, the terms and conditions of the grant of loans and advances in the nature of loans, as referred to a (B) above, are not prima facie prejudicial to the interest of the company.

c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of secured or unsecured loans given, the repayment of principal and payment of interest has not been stipulated. We are therefore, unable to make specific comments on the regularity of repayment of principal and payment of interest.

d. According to the information and explanations given to us and on the basis of examination of books and record by us, there is no overdue amount for more than ninety days in respect of secured or unsecured loans given.

e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted which has fallen due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

f. 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any guarantee or security as specified under Sections 185 and 186 of the Act. In respect of the investments made and loans given by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

vii. In respect of Statutory Dues:

(a). According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

- (b). According to records examined by us and the information and explanation given to us, there are no undisputed amounts due in respect of income tax, sales tax, GST, excise duty, Employees Provident Fund, Employees State Insurance Fund and other statutory dues as referred in sub clause (a) above.
- viii. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961. Accordingly, the requirement to report on clause 3(viii) of the order is not applicable to the company.
- ix. (a). According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (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). In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis for the purposes for which they were obtained.
- (d). On an overall examination of the financial statements of the Company, the Company has not taken any funds raised on short-term basis have, 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 standalone financial statements of the Company, we report that the Company being the subsidiary, has not taken any funds from any entity or person on account of or to meet the obligations of its holding company, associates or joint ventures. 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 not raised loans during the year on the pledge of securities held in its subsidiary company as defined under the Companies Act, 2013. Further the Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. (a). According to the information and explanations given to us and based on our examination of the records of the Company, has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, no reporting under clause 3(x)(a) of the Order is required.
- (b). The Company has not raised any money by way of preferential allotment/private placement of shares. 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 section 143(12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c). According to the information and explanations given to us, there were no whistle-blower complaints received by the Company during the year and up to the date of this report.



- 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 Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. Based on information and explanations provided to us and our audit procedures, internal audit is not applicable to the Company hence reporting under Clause (xiv)(a) and (b) of Order is not applicable.
- xv. According to information and explanation given to us and on the basis of books of accounts examined by us, the company has not entered into non-cash transactions with any of its directors or directors of its holding company, subsidiary company or persons connected with such directors. Accordingly, reporting under clause 3(xv) of the order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation by the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the order is not applicable.
- xix. On the basis of the financial ratios (as disclosed in financials), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give guarantee nor any assurance that all liabilities falling due within the period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. Based on the information and explanation given to us, provisions of section 135 is not applicable to the Company. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

UDIN: 25152425BMIESR7481

For V J SHAH & CO

Chartered Accountants

Firm Registration No.: 109823W


NIRAV M. MALDE

(PARTNER)

Membership No. 152425

Place: Mumbai

Date : 27th May, 2025



SPARKLING CHAINS PRIVATE LIMITED**Annexure “B” Auditors’ Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).****Opinion**

We have audited the internal financial controls over financial reporting of Sparkling Chains Private Limited (“the Company”) as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the 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.

Management’s Responsibility for Internal Financial Controls

The Company’s management 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 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 Company’s internal financial controls over financial reporting 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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.

UDIN: 25152425BMIESR7481

For V J SHAH & CO

Chartered Accountants

Firm Registration No.: 109823W



NIRAV M. MALDE
(PARTNER)
Membership No. 152425



Place: Mumbai

Date : 27th May, 2025

SPARKLING CHAINS PRIVATE LIMITED
CIN - U32111MH2024PTC425382
STANDALONE BALANCE SHEET AS AT 31st MARCH, 2025

(Amount ₹ in Lakhs)

| Particulars | Note No. | 31.03.2025 |
|--|----------|------------------|
| | | ₹ |
| ASSETS | | |
| NON-CURRENT ASSETS | | |
| (a) Property, Plant and Equipment | 3 | 310.38 |
| (b) Right-of-use asset | 4 | 803.59 |
| (c) Capital Work in Progress | 5 | 35.11 |
| (d) Investment Property | 6 | 241.80 |
| (e) Goodwill | | - |
| (f) Other Intangible Assets | | - |
| (g) Intangible Assets under development | | - |
| (h) Biological Assets other than bearer plants | | - |
| (i) Financial Assets | | |
| (i) Investments | 7 | 1,268.01 |
| (ii) Trade Receivables | | - |
| (iii) Loans | | - |
| (iv) Others financial assets | 8 | 324.67 |
| (j) Deferred tax assets (Net) | | - |
| (k) Other non current assets | 9 | 88.48 |
| SUB-TOTAL | | 3,072.04 |
| CURRENT ASSETS | | |
| (a) Inventories | 10 | 4,103.62 |
| (b) Financial Assets | | |
| (i) Investments | | - |
| (ii) Trade Receivables | 11 | 6,870.66 |
| (iii) Cash & Cash Equivalents | 12 | 82.89 |
| (iv) Bank balances other than (iii) above | 13 | 1,347.00 |
| (v) Loans | 14 | 14.39 |
| (vi) Other financial assets | 15 | 2.59 |
| (c) Current Tax Assets (Net) | | - |
| (d) Other Current Assets | 16 | 143.07 |
| SUB-TOTAL | | 12,564.21 |
| TOTAL ASSETS | | 15,636.26 |



SPARKLING CHAINS PRIVATE LIMITED
CIN - U32111MH2024PTC425382
STANDALONE BALANCE SHEET AS AT 31st MARCH, 2025

(Amount ₹ in Lakhs)

| | NOTE NO. | 31.03.2025 |
|--|----------|------------------|
| | | ₹ |
| EQUITY AND LIABILITIES | | |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| (a) Equity Share capital | 17 | 8.45 |
| (b) Other Equity | 18 | 9,726.36 |
| SUB-TOTAL | | 9,734.81 |
| LIABILITIES | | |
| NON-CURRENT LIABILITIES | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 19 | 260.04 |
| (ia) Lease Liabilities | 20 | 680.52 |
| (ii) Trade Payable | | - |
| (iii) Other Financial Liabilities | | - |
| (b) Long Term Provisions | 21 | 3.51 |
| (c) Deferred Tax Liabilities (Net) | 22 | 16.58 |
| (d) Other non-current liabilities | | - |
| SUB-TOTAL | | 960.64 |
| CURRENT LIABILITIES | | |
| (a) Financial Liabilities | | |
| (i) Borrowings | 23 | 4,448.21 |
| (ia) Lease Liabilities | 24 | 137.88 |
| (ii) Trade payables | 25 | |
| Trade Payables-Micro and Small Enterprises | | 5.27 |
| Trade Payables- Other than Micro and Small Enterprises | | 55.69 |
| (iii) Other financial liabilities (other than those specified in item (c)) | 26 | 16.26 |
| (b) Other Current Liabilities | 27 | 12.59 |
| (c) Short Term Provision | 28 | 11.55 |
| (d) Current Tax Liabilities (Net) | 29 | 253.35 |
| SUB-TOTAL | | 4,940.80 |
| TOTAL EQUITY AND LIABILITIES | | 15,636.26 |

See accompanying notes to the financial statements

2

The accompanying notes form an integral part of the Standalone IND AS Financial Statements

As per our report of even date

For V J SHAH & CO

Chartered Accountants

FRN. : 109823W

Nirav Malde

NIRAV MALDE

(PARTNER)

MEMBERSHIP NO. : 152425



Mangesh Chauhan
MANGESH
CHAUHAN
(DIRECTOR)
DIN: 02138048

Mahendra Chauhan
MAHENDRA
CHAUHAN
(DIRECTOR)
DIN: 02138084

PLACE : MUMBAI

DATE : 27th May, 2025

SPARKLING CHAINS PRIVATE LIMITED

CIN - U32111MH2024PTC425382

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH, 2025

(Amount ₹ in Lakhs except earning per share)

| Particulars | Note No. | 17.05.2024 to |
|---|----------|---------------|
| | | 31.03.2025 |
| | | ₹ |
| Continuing Operations | | |
| I Revenue From Operations | 30 | 37,156.53 |
| II Other Income | 31 | 247.44 |
| III Total Income (I+II) | | 37,403.97 |
| IV Expenses | | |
| (a) Cost of Material Consumed | 32 | 38,156.78 |
| (b) Purchase of Stock-in-trade | | - |
| (c) Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade | 33 | (2,942.49) |
| (d) Employee Benefits Expenses | 34 | 185.63 |
| (e) Finance Cost | 35 | 316.06 |
| (f) Depreciation and Amortisation Expenses | 36 | 95.71 |
| (g) Other Expenses | 37 | 165.49 |
| Total Expenses (IV) | | 35,977.18 |
| V Profit Before Exceptional and Extraordinary Items and Tax (III-IV) | | 1,426.78 |
| VI Exceptional Income/Expenses | | - |
| VII Profit Before Tax (V-VI) | | 1,426.78 |
| VIII Tax Expenses | 39 | 345.68 |
| (1) Current tax | | 342.50 |
| (2) Deferred tax | | (8.27) |
| (3) Short/(Excess) Provision for Tax | | 11.45 |
| IX Profit After Tax from continuing operations (VII-VIII) | | 1,081.10 |
| X Other Comprehensive Income (OCI) | | |
| A Items that will not be reclassified subsequently to profit or loss | | |
| (i) Remeasurement of defined benefit plans | 38.1 | 4.35 |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | (1.09) |
| B Items that will be reclassified to profit or loss | | |
| (i) Fair valuation of Non-Trade Investments | 38.2 | 67.28 |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | 5.51 |
| Total of other comprehensive Income | | 76.04 |
| Total Comprehensive Income for the period comprising Profit (Loss) and Other comprehensive Income for the period | | 1,157.14 |
| XI Earnings Per Equity Share (Amount in ₹) | | |
| (a) Basic | 40 | 2,037.20 |
| (b) Diluted | 40 | 2,037.20 |

See accompanying notes to the financial statements

2

The accompanying notes form an integral part of the Standalone IND AS Financial Statements

As per our report of even date
For V J SHAH & CO
Chartered Accountants
FRN. : 109823W



NIRAV MALDE
(PARTNER)
MEMBERSHIP NO. : 152425



FOR AND ON BEHALF OF THE BOARD




MANGESH
CHAUHAN
(DIRECTOR)
DIN: 02138048


MAHENDRA
CHAUHAN
(DIRECTOR)
DIN: 02138084

PLACE : MUMBAI
DATE : 27th May, 2025

SPARKLING CHAINS PRIVATE LIMITED

CIN - U32111MH2024PTC425382

STANDALONE STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 31ST MARCH, 2025

(Amount ₹ in Lakhs)

| PARTICULARS | 17.05.2024 to 31.03.2025 | |
|--|---|-------------------|
| | ₹ | ₹ |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| a) Net profit before Tax | | 1,426.78 |
| | Adjustment for Non-Cash and Non-operating Items | |
| b) Add: Depreciation | 95.71 | |
| | Provision for doubtful debts / Advances | 9.14 |
| | Finance Costs | 299.87 |
| | | 404.72 |
| c) Less: Interest Income | 36.72 | |
| | Gain on Sale of Investment | 190.08 |
| | Dividend Received | 20.64 |
| | | 247.44 |
| d) Operating profits before working capital changes (a+b-c) | | 1,584.06 |
| | Changes in Working Capital & Operating Assets & liabilities | |
| e) Add: Decrease in Assets & Increase in Liabilities | | |
| | Trade Payables | 34.80 |
| | Other Current Liabilities | 1.68 |
| | Other Current Financial Liabilities | 16.26 |
| | Long Term Provisions | 2.14 |
| | | 54.88 |
| f) Less: Increase in Assets & Decrease in Liabilities | | |
| | Inventories | 2,942.49 |
| | Trade Receivables | 4,677.54 |
| | Short Term Loans & Advances | 8.69 |
| | Other Current Assets | 89.65 |
| | Short Term Provisions | 1.72 |
| | Other Current Financial Assets | 2.59 |
| | Other non current assets | 74.60 |
| | | 7,797.27 |
| g) Cash generated from operations (d+e-f) | | (6,158.32) |
| h) Less: Taxes paid | | 283.49 |
| | NET CASH FLOW FROM OPERATING ACTIVITIES (g-h) | (6,441.82) |
| CASH FLOW FROM INVESTING ACTIVITIES | | |
| a) Add: Interest Income | 36.72 | |
| | Sale of Investment | 702.41 |
| | Dividend Received | 20.64 |
| | | 759.77 |
| b) Less: Addition to Property, Plant and Equipment (Including WIP) | 172.99 | |
| | Investment in Fixed Deposit | 1,597.00 |
| | Security Deposits given during the year | 74.67 |
| | | 1,844.66 |
| | NET CASH FLOW FROM INVESTING ACTIVITIES (a-b) | (1,084.89) |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| a) Add: Increase in Short Term Borrowings (Net) | 1,439.12 | |
| | Proceeds from Increase in share Capital(Net) | 8,498.70 |
| | | 9,937.82 |
| b) Less: Repayment of Long Term Borrowings (Net) | 2,011.64 | |
| | Repayment of principal portion of lease liabilities | 39.37 |
| | Interest Expense | 299.87 |
| | | 2,350.88 |
| | NET CASH FLOW FROM FINANCING ACTIVITIES (a-b) | 7,586.95 |
| | NET INCREASE / (DECREASE) IN CASH | 60.24 |
| Add: Cash & Cash Equivalent at the beginning of the year | | |
| | Cash on Hand | 0.34 |
| | Bank Balance | 22.31 |
| | | 22.65 |
| Less: Cash & Cash Equivalent at the end of the year | | |
| | Cash on Hand | 0.24 |
| | Bank Balance | 82.65 |
| | | 82.89 |
| | Reconciliation of Cash and Cash Equivalents with the Balance Sheet | |
| | Cash & Cash Equivalent at the end of the year (as per Note 12) | 82.89 |
| Less: Bank Balances held as margin money against guarantees not considered as Cash and Cash Equivalents | | - |
| | Cash & Cash Equivalent at the end of the year | 82.89 |

Note:

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (IND AS - 7) "Statement of Cash Flow".

As per our report of even date
For V J SHAH & CO
Chartered Accountants
FRN : 109823W

NIRAV MALDE
(PARTNER)
MEMBERSHIP NO. : 152425

PLACE : MUMBAI
DATE : 27th May, 2025



MANGESH CHAUHAN
(DIRECTOR)
DIN: 02138048

FOR AND ON BEHALF OF THE BOARD

MAHENDRA CHAUHAN
(DIRECTOR)
DIN: 02138084

SPARKLING CHAINS PRIVATE LIMITED
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2025

(A) Equity Share Capital
 (Amount ₹ in Lakhs)

| Particulars | Refer Note No. | ₹ |
|---|----------------|------|
| 1 As at 17th May 2024 | - | - |
| 2 Shares issued on conversion of LLP to Pvt Ltd | 17.1 | 1.98 |
| 3 Changes in equity share capital during the year 2024-25 | 17.1 | 6.47 |
| 4 As at 31st March 2025 | - | 8.45 |

(B) Other Equity
 (Amount ₹ in Lakhs)

| PARTICULARS | Reserves and Surplus | | | | Other Comprehensive Income | | | | | | | Total | | | |
|--|---|--|-----------------|--------------------|----------------------------|------------------|----------------|---------------------|-----------------------------|------------------------------|--------------------------------|-------|---------------------------------------|---|-----------------------|
| | Share application money pending allotment | Equity component of compound financial instruments | Capital reserve | Securities Premium | General Reserve | Retained Earning | Share Warrants | Revaluation Surplus | Share Based Payment Reserve | Debt instruments through OCI | Equity instruments through OCI | | Effective portion of Cash Flow Hedges | Exchange differences on translating the financial statements of a foreign operation | Actuarial Gain/(Loss) |
| As on 31st March 2025 | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| 1 Balance as at 17th May 2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 Additions On account of conversion of LLP to Pvt Ltd | - | - | - | - | - | (27.20) | - | - | - | 104.18 | - | - | - | - | 76.98 |
| 3 Additions to Reserve net of expense and taxes | - | - | - | 8,493.40 | - | 1,081.10 | - | - | - | 72.79 | - | - | - | 3.26 | 9,650.55 |
| 4 Dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 5 Shares issued against warrants | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 6 Bonus Issue | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 7 Shares Issue expenses | - | - | - | (1.17) | - | - | - | - | - | - | - | - | - | - | (1.17) |
| 8 Income tax on dividends | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 9 Balance as at 31st March 2025 | - | - | - | 8,492.23 | - | 1,053.91 | - | - | - | 176.97 | - | - | - | 3.26 | 9,726.36 |

Refer Note No 18.1 for nature and purpose of Reserve.

The accompanying notes form an integral part of the Standalone INDAS Financial Statements.

As per our report of even date

For V J SHAH & CO

Chartered Accountants

FRN : 109823W

(Signature)
 NIKAV MALDE
 (PARTNER)
 MEMBERSHIP NO. : 152425



FOR AND ON BEHALF OF THE BOARD

(Signature)
 MANGESH CHAUGHAN
 (DIRECTOR)
 DIN: 02138068

(Signature)
 MAHENDRA CHAUGHAN
 (DIRECTOR)
 DIN: 02138064

PLACE : MUMBAI
 DATE : 27th May, 2025

SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

NOTE: 1

Corporate Information

Sparkling Chains Private Limited ("The Company") is engaged in the business of designing, manufacturing and marketing of Gold Jewellery since 2020. In May 2024, the Company transitioned from a Limited Liability Partnership (LLP) to a Private Limited Company. The Company offers a wide variety of designs to suit the preferences of the end customer. They provide an extensive range of designs and also use studded American diamonds and/or colored gemstones in many of their jewellery products.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2025 and authorised for issue on May 27th, 2025.

NOTE: 2

Summary of basis of compliance, basis of preparation and presentation, critical accounting estimates, assumptions and judgements and significant accounting policies

Statement of compliance:

Standalone Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and relevant provisions of the Companies Act, 2013.

Accordingly, the Company has prepared these Standalone Financial Statements which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss for the year ended 31 March 2025, the Statement of Cash Flows for the year ended 31 March 2025 and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as 'Standalone Financial Statements' or 'financial statements').

2.1 Basis of preparation of financial statements

The Standalone financial statements of the company are prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on the accrual basis as per the provisions of the Companies Act, 2013 ("the Act"), except for:

- Financial instruments - measured at fair value;
- Quoted Investments - measured at fair value;
- Plan assets under defined benefit plans - measured at fair value
- In addition, the carrying values of recognized assets and liabilities, designated as hedged items in fair value hedges that would otherwise be carried at cost, are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationship.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

2.2 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Company's normal operating cycle;
- It is held primarily for the purpose of being traded
- It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
- All other liabilities are classified as non-current.

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

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. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value to be cash equivalents.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

The Standalone Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest rupee in lakhs, unless otherwise stated.

2.3 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

This note provides an overview of the areas where there is a higher degree of judgment or complexity. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation.

Estimates and judgments are regularly revisited. Estimates are based on historical experience and other factors, including futuristic reasonable information that may have a financial impact on the company.

Following are the areas involving critical estimates and judgements:

- Measurement of defined benefit obligations - Note 42
- Recognition of Deferred tax assets/liabilities - Note 22 and Note 41
- Current Tax Expenses and Current Tax Payable - Note 41 and Note 29
- Measurement and Valuation of Inventory - Note 10

2.4 Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements is as given below. These accounting policies have been applied consistently to the period presented in the financial statements.

(A) Property, Plant and Equipment

The cost of property, plant and equipment comprises its purchase price 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, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred. Major shut-down and overhaul expenditure is capitalized as the activities undertaken improve the economic benefits expected to arise from the asset.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

It includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy based on Ind AS 23 - Borrowing costs. Such properties are classified to the appropriate categories of PPE when completed and ready for intended use. Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets"

Subsequent expenditure and component accounting

Parts of an item of PPE having different useful lives and significant value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation and useful life

Depreciation is provided on a pro-rata basis on the WDV method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Leasehold improvements are depreciated over the period of the lease agreement.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Derecognition

An item of PPE is de-recognized upon disposal or when no future economic benefits are expected to arise from the 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 sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

(B) Capital Work in progress ('CWIP') and Intangible assets under development

Projects under commissioning and other CWIP/ intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

Subsequent expenditures relating to property, plant and equipment/intangible Assets are capitalised only when it is probable that future economic benefit associated with these will flow to the Company and the cost of the item can be measured reliably.

Advances given to acquire property, plant and equipment are recorded as non-current assets and subsequently transferred to CWIP on acquisition of related assets.

(C) Investment property

Investment properties are land and buildings that are held for long term lease rental yields and/ or for capital appreciation. Investment properties are initially recognised at cost including transaction costs. Subsequently investment properties comprising buildings are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

An investment property is de-recognised when either the investment property has been disposed of or do not meet the criteria of investment property i.e. when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the Standalone Statement of Profit and Loss in the period of de-recognition.

(D) Impairment

At the end of each reporting year, 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication, the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell 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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss, to the extent the amount was previously charged to the statement of profit and loss.

(E) Inventories

Raw materials

Raw materials, work in progress, traded stock and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials and traded goods comprises cost of purchases.

Work in progress and finished goods

Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated on the basis of production of finished goods. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Costs of inventories are valued at lower cost or net realizable. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(F) Revenue recognition

Sale of goods

Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no longer any unfulfilled obligations. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes/GST and duties. Export incentives are recognized as income as per the terms of the scheme in respect of the exports made and included as part of other operating revenue.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Revenue from sales is recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell / consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed.

Sale of services

Income from services rendered is recognized based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognized 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 to that asset's net carrying amount on initial recognition.

Foreign exchange translation

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognized in profit or loss. Monetary balances arising from the transactions denominated in foreign currency are translated to functional currency using the exchange rate as on the reporting date. Any gains or loss on such translation, are generally recognized in profit or loss.

Exchange differences on monetary items are recognized in Statement of Profit and Loss in the year in which they arise.

(G) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The company has decided to opt for lower income tax rate u/s 115BAA. Accordingly, tax expenses have been calculated considering provisions of section 115BAA of the Income Tax Act, 1961.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

(H) Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

(I) Leases

As a Lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership been classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The gain/loss on derecognition of any lease asset/liability is routed through the profit and loss account.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

(J) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions for restructuring are recognized by the Company when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the Company will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Provisions are measured at 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 the time value of money is material). The measurement of provision for restructuring includes only direct expenditures arising from the restructuring, which are both necessarily entailed by the restructuring and not associated with the ongoing activities of the Company.

Contingent liabilities are disclosed by way of a note to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is not recognized but disclosed in the financial statements where an inflow of economic benefit is probable.

(K) Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

Short-term employee benefits

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits Defined contribution plan

Employee Benefit under defined contribution plans comprises of Contributory provident fund etc. is recognized based on the undiscounted amount of obligations of the Company to contribute to the plan. The same is paid to a fund administered through a separate trust.

Defined benefit plan

Defined benefit plans comprising of gratuity is recognized based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expense in the statement of profit and loss.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Short term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(L) Financial instruments

Financial assets and financial liabilities are recognized when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognized immediately in Statement of Profit and Loss.

(M) Financial assets

Recognition and initial measurement

The Company initially recognizes loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognized initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

Classification of financial assets and Subsequent Measurement

On initial recognition, a financial asset is classified to be measured at -

- Amortized cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) - debt investment; or



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

- Fair Value through Other Comprehensive Income (FVTOCI) - equity investment; or
- Fair Value through Profit or Loss (FVTPL)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

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

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of IND AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which IND AS 103 applies are classified as at FVTOCI. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The non-current investment has been recorded at Fair Value through Other Comprehensive Income (FVTOCI).

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, on sale/disposal the Company may transfer the cumulative gain or loss within equity.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Equity instruments included within the FVTOCI category are measured at fair value with all changes recognized in the Other Comprehensive Income.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTOCI are measured at fair value at the end of each reporting period, with any gains and losses arising on remeasurement recognized in Other Comprehensive Income. The net gain or loss recognized in Other Comprehensive Income incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item. Dividend on financial assets at FVTPL is recognised when:

- The Company's right to receive the dividends is established,
- It is probable that the economic benefits associated with the dividends will flow to the entity,
- The dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Impairment

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(N) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 'FVTPL'.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- On initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- Such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise.
- The financial liability forms part of a group of financial assets or financial liabilities or both, which is managed, and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that contract basis; or
- It forms part of a containing one or more embedded derivatives, and IND AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with IND AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognized in the Statement of Profit and Loss. The net gain or loss recognized in the Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange 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. Similarly, a substantial modification of the terms of an existing financial liability (whether attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(O) Cash and cash equivalents

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

(P) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares and share options and buyback of ordinary shares are recognized as a deduction from Share Premium, net of any tax effects.

(Q) Earnings per share

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 3
Property, Plant and Equipment[^]

| Particulars | (Amount ₹ in Lakhs) | | | | | |
|---|---------------------|------------------------|-------------------|----------|----------|--------|
| | Plant And Machinery | Furniture And Fixtures | Office Equipments | Computer | Vehicles | Total |
| Original Cost As On 17-05-2024 | - | - | - | - | - | - |
| Assets on conversion of LLP to Pvt Ltd | 140.20 | 79.34 | 21.73 | 1.59 | 18.15 | 261.00 |
| Additions | 132.32 | 0.04 | 3.70 | 0.96 | 0.86 | 137.88 |
| Deductions | - | - | - | - | - | - |
| Original Cost As On 31-03-2025 | 272.52 | 79.37 | 25.43 | 2.54 | 19.02 | 398.88 |
| Depreciation Fund As on 17-05-2024 | - | - | - | - | - | - |
| Depreciation Fund on conversion of LLP to Pvt Ltd | 11.86 | 17.60 | 5.32 | 0.54 | - | 35.31 |
| Charged During the year | 27.12 | 13.32 | 6.92 | 0.87 | 4.95 | 53.18 |
| Deductions/Transfer | - | - | - | - | - | - |
| Depreciation Fund As on 31-03-2025 | 38.98 | 30.92 | 12.24 | 1.41 | 4.95 | 88.50 |
| Wdv As On 31-03-2025 | 233.54 | 48.46 | 13.19 | 1.14 | 14.06 | 310.38 |

NOTE 4

| Particulars | (Amount ₹ in Lakhs) | |
|--|---------------------|--------|
| | ROU Asset | Total |
| Original Cost As On 17-05-2024 | - | - |
| Assets on conversion of LLP to Pvt Ltd | 184.71 | 184.71 |
| Additions | 704.51 | 704.51 |
| Deductions | - | - |
| Original Cost As on 31-03-2025 | 889.22 | 889.22 |
| Accumulated amortisation As On 17-05-2024 | - | - |
| Accumulated amortisation on conversion of LLP to Pvt Ltd | 43.10 | 43.10 |
| Charged During the year | 42.53 | 42.53 |
| Deductions/Transfer | - | - |
| Accumulated amortisation As On 31-03-2025 | 85.63 | 85.63 |
| Wdv As On 31-03-2025 | 803.59 | 803.59 |

NOTE 5

| Particulars | (Amount ₹ in Lakhs) |
|---|---------------------------|
| | Year ended March 31, 2025 |
| Opening carrying value | - |
| Additions / adjustments | 35.11 |
| Transfer to property, plant and equipment | - |
| Closing carrying value as at March 31, 2025 | 35.11 |

Capital Work-in-Progress Ageing Schedule as at 31 March 2025

| Projects in progress | (Amount ₹ in Lakhs) | | | |
|----------------------|--------------------------------|-----------|-----------|-------------------|
| | Amount in CWIP for a period of | | | |
| | Less than 1 year | 1-2 Years | 2-3 Years | More than 3 Years |
| CWIP | 35.11 | - | - | - |
| Total | 35.11 | - | - | 35.11 |

NOTE 6

| PARTICULARS | (Amount ₹ in Lakhs) |
|----------------------------------|---------------------|
| | 31.03.2025 |
| At amortised cost | ₹ |
| Investment in Immovable Property | 241.80 |
| TOTAL | 241.80 |

[^] Certain investment properties are mortgaged against borrowings, the details relating to which have been described in Note 19.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 7

Non Current Investments[^]

(Shares in Numbers & Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 | |
|--|---------------|-----------------|
| | No of Shares | ₹ |
| <u>Non-Trade Investment measured at Fair Value through Other Comprehensive Income</u> | | |
| <u>In Equity Shares of Other Companies.</u> | | |
| <u>Quoted, Fully paid-up</u> | | |
| HDFC Bank Ltd. of Rs. 1 each | 41,500 | 758.70 |
| Tata Consultancy Services Ltd. of Rs. 1 each | 4,000 | 144.25 |
| ICICI bank Ltd. of Rs. 2 each | 27,075 | 365.07 |
| TOTAL | 72,575 | 1,268.01 |
| Aggregate Amount of Quoted Investments | | 1,061.52 |
| Market value of Quoted Investments | | 1,268.01 |
| Aggregate Amount of Unquoted Investments | | - |
| [^] All the Non-Current Investments are pledged against secured short term borrowings details relating to which have been described in Note 23. | | |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 8

Non Current - Other Financial Assets (Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|--|---------------|
| | ₹ |
| Unsecured, considered good | |
| Security Deposits (at amortised cost) | |
| Security Deposit against rental premises | 74.05 |
| Others | 0.62 |
| Fixed Deposits^ | 250.00 |
| TOTAL | 324.67 |

^Fixed Deposits of Rs. 250 Lakhs (more than 12 months) given as collateral security. Principal amount of these Fixed Deposits can be withdrawn or an equivalent amount can be availed against such deposits by the Company at any point of time without prior notice or penalty.

NOTE 9

Other Non-Current Assets (Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|------------------|--------------|
| | ₹ |
| Prepaid Expenses | 19.28 |
| Capital Advance | 69.20 |
| TOTAL | 88.48 |

NOTE 10

Inventories* (Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|------------------|-----------------|
| | ₹ |
| Finished Goods | 2,348.74 |
| Work-in Progress | 1,754.88 |
| TOTAL | 4,103.62 |

*Valued at Cost or Net Realisable Value whichever is lower.

NOTE 11

Current Financial Assets - Trade Receivables (Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|--|-----------------|
| | ₹ |
| Trade Receivables considered good-Unsecured | |
| From Others | 6,885.24 |
| Less: Allowance for Expected Credit Loss | (14.58) |
| Trade Receivables credit Impaired | |
| From Others | - |
| Less: Allowance for Expected Credit Loss | - |
| TOTAL | 6,870.66 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 11.1

Trade Receivables Ageing schedule

As on 31.03.2025

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|--|--|------------------|----------|----------|------------------|-----------------|
| | Less than 6 months | 6 months- 1 year | 1-2 yrs. | 2-3 yrs. | More than 3 yrs. | |
| Undisputed Trade receivables-considered good | 1,972.91 | 336.00 | - | - | - | 2,308.91 |
| Undisputed Trade Receivables-considered doubtful | - | - | - | - | - | - |
| Disputed Trade Receivables considered good | - | - | - | - | - | - |
| Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| Total Due | | | | | | 2,308.91 |
| Undue - considered good | | | | | | 4,576.33 |
| Undue - considered doubtful | | | | | | - |
| Provision for doubtful debts | | | | | | (14.38) |
| Total Trade Receivables | | | | | | 6,870.66 |

NOTE 12

Current Financial Assets - Cash & Cash Equivalents

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|---------------------------|--------------|
| | ₹ |
| Cash on Hand | |
| -Cash | 0.24 |
| Balances With Bank | |
| -In Current Accounts | 82.65 |
| TOTAL | 82.89 |

NOTE 13

Bank Balances Other Than Above

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|-----------------------------|-----------------|
| | ₹ |
| Fixed Deposits [^] | 1,347.00 |
| TOTAL | 1,347.00 |

[^] Fixed Deposits of Rs. 1,347 Lakhs (less than 12 months) given as collateral security. Principal amount of these Fixed Deposits can be withdrawn or an equivalent amount can be availed against such deposits by the Company at any point of time without prior notice or penalty.

NOTE 14

Current Financial Assets - Loans

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|---|--------------|
| | ₹ |
| Current Assets (at amortised cost) | |
| Unsecured, considered good | |
| -Loan to Staff | 14.39 |
| TOTAL | 14.39 |

NOTE 15

Other Current Financial Assets

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|--|-------------|
| | ₹ |
| Security Deposits (at amortised cost) | |
| Security Deposit against rental premises | - |
| Others | 2.59 |
| TOTAL | 2.59 |

NOTE 16

Other Current Assets

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 |
|------------------------------------|---------------|
| | ₹ |
| Advance To Creditors | 2.28 |
| GST Credit Receivable | 121.26 |
| Prepaid Expenses | 3.26 |
| Interest Accrued on Fixed Deposits | 16.27 |
| Margin Balance | (0.00) |
| TOTAL | 143.07 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 17

Equity Share capital

(Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 | |
|---|------------|-------|
| | ₹ | |
| (A) Authorised Share Capital | | |
| 1 1,00,000 Equity Shares of Rs 10/- each (Previous Year- Nil) | | 10.00 |
| | | 10.00 |
| (B) Issued,Subscribed and Paid-up Share Capital | | |
| 1 84,487 Equity Shares of Rs 10/- each fully paid (Previous Year - Nil) | | 8.45 |
| | | 8.45 |

NOTE 17.1

Reconciliation Of Shares Outstanding At The Beginning And At The End Of The Year

(Shares in Numbers & Amount ₹ in Lakhs)

| PARTICULARS | 31.03.2025 | |
|--|------------|------|
| | Nos. | ₹ |
| (A) Equity Shares | | |
| 1 Shares Outstanding at the beginning of the year | - | - |
| 2 Additions during the year | | |
| i) Shares issued on conversion of LLP to Pvt Ltd (Refer Note 17.8) | 19,800 | 1.98 |
| ii) Right issue of shares (Refer Note 17.8) | 64,687 | 6.47 |
| 3 Deductions during the year | - | - |
| 4 Shares Outstanding at the end of the year | 84,487 | 8.45 |

NOTE 17.2

Share Capital

| | |
|-----|--|
| (A) | The company has only 1 class of Equity shares. |
| (B) | Each holder of Equity shares is entitled to one vote per share. |
| (C) | The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. |
| (D) | 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 of their shareholding |

NOTE 17.3

Details Of Shareholders Holding More Than 5% Shares In The Company

(Shares in Numbers)

| PARTICULARS | 31.03.2025 | |
|---------------------------------|---------------|--------------|
| | No. of Shares | % of Holding |
| (A) Equity Shares | | |
| 1 Sky Gold And Diamonds Limited | 84,487 | 100.00 |
| Total | 84,487 | 100.00 |

NOTE 17.4

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

| PARTICULARS | (Aggregate No. of Shares) for the year ended |
|---|--|
| | 31.03.2025 |
| 1 Fully Paid up Equity Shares by way of Bonus (Shares in numbers) | - |

NOTE 17.5

Shares held by promoters as at 31st March 2025

| Sn | Promoter Name | Shares held by promoters at the end of the year | | % Change during the Year |
|----|-------------------------------|---|-------------------|--------------------------|
| | | No of Shares | % of Total Shares | |
| 1 | Sky Gold And Diamonds Limited | 84,487 | 100.00% | - |
| | TOTAL | 84,487 | 100.00% | 0.00% |

NOTE 17.6

During the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

- (a) No Class of Shares were allotted as fully paid up pursuant to contract without payment being received in cash
(b) No Class of Shares were bought back by the company.

NOTE 17.7

- (a) There are no calls unpaid
(b) There are no forfeited shares

NOTE 17.8

Issue of shares on conversion of LLP to Private Limited

During the financial year 2024-25, the company issued 19,800 equity shares of face value ₹10 each on conversion of LLP to Private Limited.

Right issue of Shares

During the financial year 2024-25, the company issued 64,687 equity shares of face value ₹10 each under Right Issue.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 18

Other Equity

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|-----------------|
| | | ₹ |
| (I) | Securities Premium | |
| | Balance as the beginning of the year | - |
| | Add: Additions during the year | 8,493.40 |
| | Less : Utilised for Shares Issue expenses | (1.17) |
| | Balance at the end of the year | 8,492.23 |
| (II) | Other Comprehensive Income | |
| | Balance at the beginning of the year | - |
| | Add: On account of conversion of LLP to Pvt Ltd | 104.18 |
| | Add: Remeasurements of Net Defined Benefit Plans | 3.26 |
| | Add: Fair valuation of Investments | 72.79 |
| | Balance at the end of the year | 180.22 |
| (III) | Retained Earnings | |
| | Balance as the beginning of the year | - |
| | Add: On account of conversion of LLP to Pvt Ltd | (27.20) |
| | Add: Profits attributable to owners of the company | 1,081.10 |
| | Less: Dividends paid | - |
| | Balance at the end of the year | 1,053.91 |
| | TOTAL | 9,726.36 |

NOTE 18.1

Nature & Purpose of each Reserves under Other Equity

- (a) **Securities premium reserve** : Securities premium reserve is created due to premium on issue of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013. In current year it is utilised for share issue expenses.
- (b) **Items of Other Comprehensive Income**
Remeasurements of Net Defined Benefit Plans : Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and are adjusted to retained earnings.
Fair valuation of investment : Non - current investments made by the company in quoted shares is recorded at fair value and the Gain/(loss) on revaluation is recognised in other comprehensive income
- (c) **Retained Earnings**
Statement of Profit and Loss are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

NOTE 19

Non-Current Financial Liabilities - Borrowings

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|---------------|
| | | ₹ |
| (A) | *Secured Loans :- (At Amortised cost) | |
| 1 | Term Loan Facilities from Banks | 260.04 |
| | Total Secured Borrowings | 260.04 |
| | TOTAL | 260.04 |
| | Current maturity of long term borrowing disclosed under 'short term borrowings' (Refer Note 23) | 22.27 |
| | Total non-current borrowings | 260.04 |

Refer Note No - 45 for Interest rate Risk and Liquidity Risk.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

Details of Security and Repayment Terms :

The Company has availed a Loan for the purpose of acquiring a commercial property, repayable over a maximum tenure of 120 months in equal monthly installments.

The loan is secured by a registered mortgage of the commercial property located at Office No. 12, 2nd Floor, Rajesh Rayon Bhawan, Plot No. 307/309, Kalbadevi Road, Mumbai - 400 002.

NOTE 19.1

Maturity Profile

Maturity of Secured Long term loan are as set below :

(Amount ₹ in Lakhs)

| Maturity Period | | 31.03.2025 |
|-----------------|---------------|---------------|
| | | ₹ |
| 1 | Within 1 year | 22.27 |
| 2 | 1-2 years | 24.53 |
| 3 | 2-3 years | 27.01 |
| 4 | Beyond 3 year | 208.50 |
| Total | | 282.31 |

NOTE 20

Non Current - Financial Liabilities - Borrowings - Lease Liabilities

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|--------------|--|---------------|
| | | ₹ |
| 1 | Present Value of Lease Obligations (at amortised cost) (Refer Note No 50) | 680.52 |
| TOTAL | | 680.52 |

NOTE 21

Non current - Long Term Provisions

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|--------------|--------------------------------|-------------|
| | | ₹ |
| 1 | Provision for Gratuity payable | 3.51 |
| TOTAL | | 3.51 |

NOTE 22

Non current - Deferred Tax Liabilities (Net)

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------------------------------|--|--------------|
| | | ₹ |
| 1 | Deferred Tax Liabilities in relation to | |
| (i) | Gain on fair valuation of investment | 29.53 |
| | | 29.53 |
| 2 | Deferred Tax Assets in relation to | |
| (i) | Property, Plant and Equipment | 4.63 |
| (ii) | Provision for Employee Benefits | 0.89 |
| (iii) | Provision for Expected Credit Loss | 3.67 |
| (iv) | Lease rentals | 3.73 |
| (v) | Others | 0.04 |
| | | 12.95 |
| Net Deferred Tax Liabilities | | 16.58 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 23

Current - Financial Liabilities - Borrowings (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|-----------------|
| | | ₹ |
| (A) | *Secured Borrowings :- (at amortised cost) | |
| 1 | Loans Repayable on Demand From Banks | |
| | Working Capital Facilities | 4,425.94 |
| (B) | Current maturities of long term debt | 22.27 |
| | TOTAL | 4,448.21 |

The Company has availed working capital demand loans from Yes Bank Ltd and Federal Bank Ltd, in Multi Banking Arrangement. These loans are secured by first pari passu charge on entire current assets, stock and book debts, all movable fixed assets, charge by pledge on equity shares of TCS, HDFC Bank and ICICI Bank, charge on Fixed Deposits and Personal Guarantee of the Directors.

NOTE 24

Current - Financial Liabilities - Borrowings - Lease Liabilities (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|---------------|
| | | ₹ |
| 1 | Present Value of Lease Obligations (at amortised cost) | 137.88 |
| | (Refer Note No 50) | |
| | TOTAL | 137.88 |

NOTE 25

Current - Financial Liabilities - Trade payables (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|------------------------------------|--------------|
| | | ₹ |
| (A) | Micro and Small Enterprises | |
| 1 | Trade Payables for Goods | 2.14 |
| 2 | Trade Payables for Expenses | 3.13 |
| | | 5.27 |
| (B) | Others | |
| 1 | Trade Payables for Goods | 55.64 |
| 2 | Trade Payables for Expenses | 0.05 |
| | | 55.69 |
| | TOTAL | 60.96 |

NOTE 25.1

Micro, Small And Medium Enterprises Have Been Identified By The Company On The Basis Of The Information Available.

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|------------|
| | | ₹ |
| (A) | Dues remaining unpaid as at 31st March | |
| | Principal | 5.27 |
| | Interest on the above | - |
| (B) | Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed day during the year. | |
| | Principal paid beyond the appointed date | - |
| | Interest paid in terms of Section 16 of the act | - |
| (C) | Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year | - |
| (D) | Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises. | - |
| (E) | Amount of interest accrued and remaining unpaid as at 31st March | - |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 25.2

Trade Payables ageing schedule
As on 31.03.2025

(Amount ₹ in Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|----------------------------|--|----------|----------|-------------|-------|
| | Less than 1 yr. | 1-2 yrs. | 2-3 yrs. | More than 3 | |
| (i) MSME | - | - | - | - | - |
| (ii) Others | 0.05 | - | - | - | 0.05 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - |
| Total Due | | | | | 0.05 |
| MSME - Undue | | | | | 5.27 |
| Others - Undue | | | | | 55.64 |
| Total | | | | | 60.96 |

NOTE 26

Current - Financial Liabilities - Other Financial Liabilities

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--------------------------------|--------------|
| | | ₹ |
| 1 | Interest Payable on Borrowings | 16.26 |
| | TOTAL | 16.26 |

NOTE 27

Current - Other Current Liabilities

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|------------------------|--------------|
| | | ₹ |
| 1 | Outstanding Expenses | 4.12 |
| 2 | Statutory Dues Payable | 8.05 |
| 3 | Advance from Debtors | 0.41 |
| | TOTAL | 12.59 |

NOTE 28

Current - Short Term Provisions

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|--------------|
| | | ₹ |
| (A) | Provision for employee benefits | |
| 1 | - Provision for Gratuity | 0.01 |
| 2 | - Salaries & Wages Payable | 6.74 |
| (B) | Others | |
| 1 | - Audit fees | 4.80 |
| | TOTAL | 11.55 |

NOTE 29

Current Tax Liabilities (Net)

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|---------------|
| | | ₹ |
| (A) | Provision for Statutory Liabilities | |
| 1 | - Provision for Tax (Net of Taxes paid) | 253.35 |
| | TOTAL | 253.35 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 30

Revenue From Operations

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|------------------|
| | | ₹ |
| (A) | Revenue From Sale of Jewellery* | |
| 1 | Domestic Sales | 37,101.57 |
| | | 37,101.57 |
| (B) | Revenue From Sale of Services | |
| 1 | Labour Charges | 54.96 |
| | | 54.96 |
| | TOTAL | 37,156.53 |

*Sales for the year ended 31st March 2025 are net of Goods and Service Tax (GST)

NOTE 31

Other Income

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|------------------------------|---------------|
| | | ₹ |
| 1 | Dividend Income | 20.64 |
| 2 | Gains on sale of Investments | 190.08 |
| 3 | Interest Income | 36.72 |
| | TOTAL | 247.44 |

NOTE 32

Cost of Material Consumed

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---------------------------------|------------------|
| | | ₹ |
| (A) | Raw Materials | |
| 1 | Opening Stock | - |
| 2 | Add : Purchased during the year | 38,131.39 |
| 3 | Add : Consumables | 25.39 |
| 4 | Less : Closing Stock | - |
| | TOTAL | 38,156.78 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 33

Changes In Inventories Of Finished Goods, Work In Progress And Stock In Trade

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|-------------------------|-------------------|
| | | ₹ |
| (A) | Finished Goods | |
| 1 | Opening Stock | 991.24 |
| 2 | Closing Stock | 2,348.74 |
| | | (1,357.50) |
| (B) | Work in Progress | |
| 1 | Opening Stock | 169.89 |
| 2 | Closing Stock | 1,754.88 |
| | | (1,584.98) |
| | TOTAL | (2,942.49) |

NOTE 34

Employee Benefits Expenses

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|---------------|
| | | ₹ |
| (A) | Salaries and wages | |
| 1 | -Salaries, Wages & Bonus | 167.58 |
| (B) | Contribution to provident and other funds | |
| 1 | -Contribution to PF, ESIC and MLWF | 6.03 |
| 2 | -Provision for gratuity | 2.13 |
| (C) | Staff welfare expenses | |
| 1 | -Staff Welfare | 9.90 |
| | TOTAL | 185.63 |

NOTE 35

Finance Cost

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|----------------------------------|---------------|
| | | ₹ |
| (A) | Interest expense | |
| 1 | -On Working Capital Loans | 198.53 |
| 2 | -On Term Loans | 90.71 |
| | | 289.24 |
| (B) | Other borrowing costs | |
| 1 | -Bank Charges | 16.19 |
| | | 16.19 |
| (C) | Interest on Lease Finance | |
| | | 10.63 |
| | | 10.63 |
| | TOTAL | 316.06 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 36

Depreciation And Amortisation Expenses (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|--------------|
| | | ₹ |
| 1 | Depreciation on plant, property and equipment | 53.18 |
| 2 | Depreciation on Right -of- use Asset | 42.53 |
| | TOTAL | 95.71 |

NOTE 37

Other Expenses (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--------------------------------------|---------------|
| | | ₹ |
| 1 | Auditors' Remuneration | 3.50 |
| 2 | Advertisement expense | 0.89 |
| 3 | Business Promotion expenses | 2.12 |
| 4 | Commission Expense | 12.98 |
| 5 | Exhibition Expenses | 22.61 |
| 6 | Factory Expenses | 20.51 |
| 7 | Hallmarking Charges | 10.89 |
| 8 | Interest on income tax liability | 12.00 |
| 9 | Other Expenses | 11.97 |
| 10 | Packing Materials | 0.66 |
| 11 | Power & Fuel | 12.38 |
| 12 | Professional Fees | 14.98 |
| 13 | Provision for bad and doubtful debts | 9.14 |
| 14 | Lease Rentals | 3.64 |
| 15 | Repairs & Maintainence | 4.37 |
| 16 | Security Charges | 14.82 |
| 17 | Transport expenses | 6.31 |
| 18 | Travelling expenses | 1.71 |
| | TOTAL | 165.49 |

NOTE 37.1

Payments to Auditors (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|----------------------------------|-------------|
| | | ₹ |
| (A) | As an Auditor | |
| 1 | Statutory Audit Fees | 3.50 |
| 2 | Income Tax | 1.50 |
| 3 | Certification and Other Services | 0.20 |
| | TOTAL | 5.20 |
| | (Excluding GST) | |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 38.1

Other Comprehensive Income - Items That Will Not Be Reclassified To Profit And Loss

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---------------------------------------|-------------|
| | | ₹ |
| 1 | Remeasurement of Defined Benefit Plan | 4.35 |
| | TOTAL | 4.35 |

NOTE 38.2

Other Comprehensive Income - Items That Will Be Reclassified To Profit And Loss

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|--------------|
| | | ₹ |
| 1 | Fair Value of Investment in equity shares | 67.28 |
| | TOTAL | 67.28 |

NOTE 39

Income Tax Expenses

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--------------------------------|---------------|
| | | ₹ |
| 1 | Current Tax | 342.50 |
| 2 | Deferred Tax | (8.27) |
| 3 | Short Excess Provision for Tax | 11.45 |
| | Total Tax Expenses | 345.68 |

NOTE 40

Earning Per Equity Shares (EPS)

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|-----------------|
| | | ₹ |
| (A) | Face Value per Equity Share | 10.00 |
| (B) | Basic Earning Per Share (Rs.) | |
| 1 | Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders (Rs.) | 1,081.10 |
| 2 | Adjusted weighted average number of equity shares outstanding (No.) for calculating Basic EPS | 53,068 |
| 3 | Basic EPS (Rs.) | 2,037.20 |
| (B) | Diluted Earning Per Share (Rs.) | |
| 1 | Net Profit after Tax as per Statement of Profit and Loss Attributable to Equity Shareholders (Rs.) | 1,081.10 |
| 2 | Adjusted weighted average number of equity shares outstanding (No.) for calculating Diluted EPS | 53,068 |
| 3 | Diluted EPS (Rs.) | 2,037.20 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 41

Income Tax

(A) Current Tax Liabilities (Net)

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|------------|
| | | ₹ |
| 1 | Opening Balance | - |
| 2 | Add : On account of conversion of LLP to Pvt Ltd | 182.90 |
| 3 | Add : Current Tax Provision for the year | 342.50 |
| 4 | Less : Taxes Paid | (283.49) |
| 5 | Short/(Excess) Provision for Tax | 11.45 |
| 6 | Closing Balance | 253.35 |

The closing balance of current tax liability is net of advance tax and tax deducted at source.

(B) Deferred Tax Liabilities (Net)

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|------------|
| | | ₹ |
| 1 | Opening Balance | - |
| 2 | Add : On account of conversion of LLP to Pvt Ltd | 29.26 |
| 3 | Add/Less : Deferred Tax Charge/(Credit) to Statement of P&L | (8.27) |
| 4 | Add/Less : Deferred Tax Charge/(Credit) to Statement of OCI | (4.41) |
| 5 | Closing Balance | 16.58 |

(C) Summary of Income Tax Expenses

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|----------------------------------|---------------|
| | | ₹ |
| 1 | Current Tax | 342.50 |
| 2 | Deferred Tax | (8.27) |
| 3 | Short/(Excess) Provision for Tax | 11.45 |
| | Total Tax Expenses | 345.68 |

(D) Movement in Deferred Tax Assets & Liabilities

(Amount ₹ in Lakhs)

| PARTICULARS | Charge/(Credit) to | Charge/(Credit) to | |
|-------------|--|--------------------|---------------|
| | Statement of P&L | OCI | |
| | 31.03.2025 | 31.03.2025 | |
| 1 | Property Plant & Equipments and Intangible Assets | (4.63) | - |
| 2 | Fair Value of Non Current Investments - Financial Assets | - | (5.51) |
| 3 | Provision for Employee Benefits | (0.53) | 1.09 |
| 4 | Provision for Expected Credit Loss | (2.30) | - |
| 5 | Lease Rental | (0.79) | - |
| 6 | Interest unwinding on security deposit | (0.01) | - |
| | Total | (8.27) | (4.41) |

(E) Taxation

(Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|--|---|------------|
| | | ₹ |
| The income tax expenses for the year can be reconciled to the accounting profit as follows: | | |
| 1 | Profit Before Tax (Before Exceptional Items) | 1,426.78 |
| | Applicable Tax Rate (in %) | 25.17% |
| 2 | Computed Tax Expenses | 359.09 |
| 3 | Add/(Less) Tax Effect of: | |
| | Expenses Disallowed | 30.75 |
| | Additional Allowances (net) | (28.63) |
| | Income taxable at lower rate | (18.77) |
| | | (16.65) |
| 4 | Current tax Provision | 342.44 |
| 5 | Effective Tax Rate (in %) | 24.00% |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

Note 42

Defined Benefit Plans

The Company participates in a number of defined contribution plans on behalf of relevant personnel. Any expense recognised in relation to these schemes represents the value of contributions payable during the period by the Company at rates specified by the rules of those plans. The only amounts included in the balance sheet are those relating to the prior months contributions that were not due to be paid until after the end of the reporting period.

The major defined contribution plans operated by the Company are as below:

a) Provident fund

In accordance with the Employee's Provident Fund and Miscellaneous Provisions Act, 1952 eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the provident fund administered and managed by Government of India. The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the Statement of Profit and Loss in the period they are incurred. The benefits are paid to employees on their retirement or resignation from the Company.

| | | (Amount ₹ in Lakhs) |
|-------------|--|---------------------|
| PARTICULARS | | 31.03.2025 |
| | | ₹ |
| (A) | Employers contribution to Provident Fund | 5.69 |

b) Gratuity

The Company has an obligation towards gratuity, an unfunded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to 15 days salary, as applicable, payable for each completed year of service, without any payment ceiling. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation. The most recent actuarial valuation of the present value of the defined benefit obligation was carried out at March 31, 2025 by an independent actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(A) Reconciliation of Opening and Closing balances of Defined Benefit Obligation (DBO)

| | | (Amount ₹ in Lakhs) |
|-------------|--|---------------------|
| PARTICULARS | | 31.03.2025 |
| | | ₹ |
| 1 | Defined Benefit obligation at beginning of year | 5.41 |
| 2 | Current Service Cost | 2.08 |
| 3 | Past Service Cost | - |
| 4 | Interest Cost | 0.38 |
| 5 | Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | 0.17 |
| 6 | Actuarial (Gains)/Losses on Obligations - Due to Experience | (4.52) |
| 7 | Benefits paid | |
| 8 | Defined Benefit obligation at year end | 3.52 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

(B) Reconciliation of Fair Value of Plan Assets (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|------------|
| | | ₹ |
| 1 | Fair Value of Plan Assets at start of the year | - |
| 2 | Contributions by Employer | - |
| 3 | Benefits Paid | - |
| 4 | Interest Income on Plan Assets | - |
| | Re-measurements: | - |
| 5 | Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset) | - |
| 6 | Fair Value of Plan Assets at end of the year | - |
| 7 | Actual Return on Plan Assets | - |
| 8 | Expected Employer Contributions for the coming year | - |

(C) Amount recognized in Balance Sheet (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|---|------------|
| | | ₹ |
| 1 | Present Value of DBO | 3.52 |
| 2 | Fair value of Plan assets | - |
| 3 | Liability/ (Asset) recognised in the Balance Sheet | 3.52 |
| 4 | Funded Status [Surplus/ (Deficit)] | (3.52) |
| 5 | Of which, Short term Liability | 0.01 |
| 6 | Experience Adjustment on Plan Liabilities: (Gain)/ Loss | (4.52) |

(D) Expenses recognised during the year (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|------------------------------|------------|
| | | ₹ |
| 1 | Current Service Cost | 2.08 |
| 2 | Past Service Cost | - |
| 3 | Net Interest Cost | 0.38 |
| 4 | Expenses recognised in P & L | 2.46 |

(E) Expenses recognised in Other Comprehensive Income (OCI) (Amount ₹ in Lakhs)

| PARTICULARS | | 31.03.2025 |
|-------------|--|------------|
| | | ₹ |
| 1 | Balance at start of year (Loss)/ Gain | - |
| 2 | Actuarial (Loss)/ Gain from changes in financial assumptions | (0.17) |
| 3 | Actuarial (Loss)/ Gain from experience over the past year | 4.52 |
| 4 | Re-measurements on Plan Assets | - |
| | Return on Plan assets, excluding amount included in net interest on the net defined benefit liability/ (asset) | - |
| 5 | Balance at end of year (Loss)/ Gain | 4.35 |

(F) Actuarial Assumptions

| PARTICULARS | | 31.03.2025 |
|-------------|--|---------------------|
| | | ₹ |
| 1 | Salary Growth Rate | 7% p.a. |
| 2 | Discount Rate | 6.4% p.a. |
| 3 | Net Interest Rate on Net DBO/ (Assets) | 7% p.a. |
| 4 | Withdrawal Rate | 15% p.a. |
| 5 | Mortality | IALM 2012-14 (Ult.) |
| 6 | Expected weighted average remaining working life | 5 years |

(G) Percentage Break-down of Total Plan Assets

| PARTICULARS | | 31.03.2025 |
|-------------|---|------------|
| | | ₹ |
| 1 | Investment Funds with Insurance Company | 0.0% |
| | Of which, Unit Linked | 0.0% |
| | Of which, Traditional/ Non-Unit Linked | 0.0% |
| 2 | Cash and cash equivalents | 0.0% |
| 3 | Total | 0.0% |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

| (H) Movement in Surplus/ (Deficit) | | (Amount ₹ in Lakhs) |
|---|-------------------------------------|----------------------------|
| PARTICULARS | | 31.03.2025 |
| | | ₹ |
| 1 | Surplus/ (Deficit) at start of year | (5.41) |
| 2 | Current Service Cost | (2.08) |
| 3 | Past Service Cost | - |
| 4 | Net Interest on net DBO | (0.38) |
| 5 | Re-measurements gain/ (loss) | 4.35 |
| 6 | Contributions | - |
| 7 | Surplus/ (Deficit) at end of year | (3.52) |

NOTE 43

Related party transactions

(A) List Of Related Parties Where Control Exists And Relationships:

| PARTICULARS | | RELATIONSHIP |
|--------------------|------------------------------------|------------------------------|
| 1 | Darshan Chauhan | Director |
| 2 | Mangesh Chauhan | Director |
| 3 | Mahendra Chauhan (From 04/09/2024) | Director |
| 4 | Sky Gold & Diamonds Limited | Holding Company |
| 5 | Sitaare Gold & Diamonds Limited | Company under common control |
| 6 | Starmangalsutra Private Limited | Company under common control |

(B) Transactions with related parties **(Amount ₹ in Lakhs)**

| PARTICULARS | | 31.03.2025 |
|--------------------|--------------------------------------|-------------------|
| | | ₹ |
| (i) | With Key Managerial Personnel | |
| 1 | Loan Taken | |
| | - Darshan Chauhan | 105.00 |
| | - Mangesh Chauhan | 355.00 |
| 2 | Loan Repaid | |
| | - Darshan Chauhan | 1,054.33 |
| | - Mangesh Chauhan | 1,397.99 |

Note: The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

(C) Balance at the end of year **(Amount ₹ in Lakhs)**

| PARTICULARS | | 31.03.2025 |
|--------------------|---------------------|-------------------|
| | | ₹ |
| | Loan Payable | |
| | - Darshan Chauhan | - |
| | - Mangesh Chauhan | - |



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

NOTE: 44

Financial instruments

Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, Level 2 or Level 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- **Level 1:** inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- **Level 2:** inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3:** inputs are unobservable inputs for the asset or liability.

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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:

- Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair values of the quoted notes and bonds are based on price quotations at the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

- The fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

NOTE: 45

Financial risk management objectives and policies:

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks providing an assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(A) Financial risk management

The management of the company is responsible for overseeing the Risk Management Framework for developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying, and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk; and
- Liquidity risk

(B) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

governed by the Company's policies approved by the Board of Directors, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by the Management and the internal auditors on a continuous basis. The Company does not enter into or trade financial instruments, including derivatives for speculative purposes.

(C) Foreign currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade and debt portfolio.

Adverse movements in the exchange rate between the Rupee and any relevant foreign currency results in increase in the Company's overall debt position in Rupee terms without the Company having incurred additional debt and favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company has a policy to hedge cash flows up to a specific tenure using forward exchange contracts. In respect of imports and other payables, the Company hedges its payables as when the exposure arises. Short term exposures are hedged progressively based on their maturity.

All hedging activities are carried out in accordance with the Company's internal risk management policies, as approved by the Board of Directors, and in accordance with the applicable regulations where the Company operates. The company has entered into currency swap transaction during the year.

The carrying amounts of the Company's monetary assets and monetary liabilities at the end of the reporting period are disclosed in Note 48.

(D) Credit risk management:

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults.

Company's credit risk arises principally from the trade receivables, loans, cash & cash equivalents and financial guarantees.



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits defined in accordance with the assessment.

Trade receivables consist of many customers spread across geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored, and appropriate action is taken for collection of overdue receivables.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, many minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on ongoing customer interactions and management estimate of its realization.

The ageing analysis of trade receivables as of the reporting date is as follows:

| Ageing of trade receivables | (Rs. In lakhs) As at March 31, 2025 |
|--------------------------------|--|
| Within the credit period | 4,576.33 |
| 0 - 180 days past due | 1,972.91 |
| More than 180 days past due | 336.00 |
| Total Trade Receivables | 6,885.24 |

Reconciliation of loss allowance provision for Trade Receivables:

| Particulars | (Rs. In lakhs) As at March 31, 2025 |
|---|--|
| Balance as at the beginning of the year | - |
| On Conversion of LLP to Private Limited | 5.44 |
| Impairment losses recognized in the year based on lifetime expected credit losses | 9.14 |
| Amounts written off during the year as uncollectible | - |
| Amounts reversed during the year | - |
| Amounts recovered during the year | - |
| Balance at the end of the year | 14.58 |

Cash and cash equivalents

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy.

(E) Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long- term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profiles of the company's financial liabilities based on contractual undiscounted payments:

| Year ended 31 st March 2025 | | | | | | (Amount in Lakhs) |
|---|-----------------|--------------------|----------------|---------------|---------------|-------------------|
| Particulars | On Demand | Less than 3 months | 3 to 12 months | 1 to 5 years | >5 years | Total |
| Borrowings (Other than Lease Liabilities) | 4,425.94 | 5.37 | 16.90 | 114.06 | 145.98 | 4708.25 |
| Lease Liabilities | - | 33.16 | 104.72 | 680.52 | - | 818.40 |
| Trade Payables | - | 60.96 | - | - | - | 60.96 |
| Total | 4,425.94 | 99.49 | 121.62 | 794.58 | 145.98 | 5,587.61 |

Collateral

The Company has pledged part of its trade receivables, inventories, short term investments, cash and cash equivalents and all current assets to fulfil certain collateral requirements for the banking facilities extended to the Company. There is obligation to return the securities to the Company once these banking facilities are surrendered.

Capital management

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 of the parent. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and adjusts in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash, and cash equivalents, excluding discontinued operations. The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and



SPARKLING CHAINS PRIVATE LIMITED

Notes forming part of Standalone Financial Statements

cash equivalents, bank balances other than cash and cash equivalents and current investments. Company's gearing ratio at the end of the reporting period is as follows:

(Amount Rs. In lakhs)

| Particulars | 31.03.2025 |
|---|------------------|
| Long Term Borrowings | 260.04 |
| Short Term Borrowings | 4,448.21 |
| Less: Cash and Cash Equivalent | (83.02) |
| Less: Bank balances other than cash and cash equivalent | (1,347.00) |
| Less: Equity Shares Pledged | (1,268.01) |
| Net Debt | 2,010.22 |
| Total Equity | 9,730.16 |
| Capital and Net Debt | 11,740.38 |
| Gearing Ratio | 17.12% |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 46
Ratios

| Sr No. | Ratios | Numerator | Denominator | Current Year | Previous Year | % Variance |
|--------|---|---|--|--------------|---------------|------------|
| 1 | Current ratio (in times) | Total current assets | Total current liabilities | 2.54 | - | - |
| 2 | Debt-equity ratio (in times) | Total Debt (Borrowing + Lease Liability) | Shareholder's Equity | 0.57 | - | - |
| 3 | Debt service coverage ratio (in times) | Earning for Debt Service = Net Profit after taxes + Non cash operating expenses | Debt service = Interest & Lease payments + Principal repayments | 36.09 | - | - |
| 4 | Return on equity ratio (in %) | Net Profit After Tax | Average Shareholders Equity | 22.03 | - | - |
| 5 | Inventory turnover ratio (in times) | Cost of Goods Sold | Average Inventory | 13.47 | - | - |
| 6 | Trade receivables turnover ratio (in times) | Revenue from operations | Average trade receivables | 8.19 | - | - |
| 7 | Trade payables turnover ratio (in times) | Net Purchases | Average trade payables | 875.42 | - | - |
| 8 | Net capital turnover ratio (in times) | Revenue from operations | Average working capital (i.e. Total current assets less Total current liabilities) | 9.53 | - | - |
| 9 | Net profit ratio (in %) | Net Profit After Tax | Revenue from operations | 2.91 | - | - |
| 10 | Return on capital employed (in %) | Earnings before Interest and Taxes | Capital employed = Tangible Networth+ Total Debt + Deferred Tax Liability | 12.08 | - | - |
| 11 | Return on investment (in %) | Income generated from investments | Time weighted average investments | (52.12) | - | - |

Remarks:

1 As this is the Company's first year of operation, there are no comparative figures available for the prior year. Accordingly, no year-on-year variances have been presented.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 47

Financial Instruments

(A) Accounting Classification and Fair Value

(Amount ₹ in Lakhs)

| Financial Assets / Financial Liabilities | | As at 31st March 2025 | |
|--|------------------------------------|-----------------------|----------------|
| | | FVTOCI | Amortised Cost |
| (i) Financial Assets | | | |
| 1 | Non Current Investments | 1,268.01 | - |
| 2 | Trade Receivables | - | 6,870.66 |
| 3 | Cash & Cash Equivalents | - | 82.89 |
| 4 | Bank balances other than (3) above | - | 1,347.00 |
| 5 | Loans | - | 14.39 |
| 6 | Other financial assets | - | 327.25 |
| (ii) Financial liabilities | | | |
| 1 | Borrowings | - | 4,708.25 |
| 2 | Lease Liabilities | - | 818.40 |
| 3 | Trade Payable | - | 60.96 |
| 4 | Other Financial Liabilities | - | 16.26 |

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, loans, Borrowings and trade payables at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

(B) Fair Value Measurements hierarchy

(Amount ₹ in Lakhs)

| Financial Assets / Financial Liabilities | | As at 31st March 2025 | | |
|--|-------------------------|---|---|---|
| | | Quoted Price in Active Market (Level 1) | Significant Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| (i) Financial Assets | | | | |
| 1 | Non Current Investments | 1,268.01 | - | - |

NOTE 48

Foreign Currency Exposure

(Amount ₹ in Lakhs)

| Particulars | | As at March 31, 2025 |
|-------------|---------------------------------|----------------------|
| 1 | Other Non-Current Assets | |
| | In Euro | 33,600.00 |
| | Equivalent In ₹ lakhs | 31.07 |

NOTE 49

Security of Net Current Assets against borrowings

Reconciliation between Net Current Assets as per Quarterly statement filed with the Bank and Current Assets as per Books of accounts

The company has been sanctioned working capital limits in excess of 5 crores Rupees, in aggregate, from banks or financial Institutions on the basis of Security of Current Assets. The amount of net current assets reported in the financial statements differ from the amount submitted to the bank by (Rs.10.65/- lakhs), 404.78/- Lakhs, 347.33 Lakhs and (42.12/- lakhs) as at June, 2024, September, 2024, December, 2024 and March, 2025 respectively. These differences are on account of data submitted to the bank from provisional financial statement subject to pending finalization.

NOTE 50

Leases

The Company adopted Ind AS 116 "Leases" and applied the standard to the lease contracts using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at value equal to the lease liability subject to the adjustments for prepayments and accruals. The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application. Interest on lease liabilities is ₹ 10.63 Lakhs for the year.

The Company has lease contracts for Factory premise rented in Navi Mumbai. They have a lease term of 5 years.

The Company's obligations under its leases are secured by the lessor's title to the leased asset. The Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain premises in good state. The lease contract include extension and termination options which are further discussed below.

The Company applies the 'short-term lease' recognition exemptions for leases whose term is 12 months or less.

Terms of Cancellation and Escalation

The Leases are cancellable by giving one month notice by either parties and these does not carries any escalation.



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

(A) Leases as lessee

(i) The movement in Lease liabilities during the year

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|--|---------------|
| | ₹ |
| Opening Balance | - |
| On account of conversion of LLP to Pvt Ltd | 153.27 |
| Additions during the year | 704.51 |
| Derecognised during the year | - |
| Finance costs incurred during the year | 10.63 |
| Payments of Lease Liabilities | 50.00 |
| Closing Balance | 818.40 |

(ii) The carrying value of the Rights-of-use and depreciation charged during the year

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|--|---------------|
| | ₹ |
| Opening Balance | - |
| On account of conversion of LLP to Pvt Ltd | 141.61 |
| Additions during the year | 704.51 |
| Lease Expired/ Retired | - |
| Depreciation charged during the year | (42.53) |
| Closing Balance | 803.59 |

(iii) Amount Recognised in Statement of Profit & Loss Account during the Year

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|--|--------------|
| | ₹ |
| Depreciation expense of right-of-use assets | 42.53 |
| Interest expense on lease liabilities | 10.63 |
| Expense relating to short-term leases (included in other expenses) | 3.64 |
| TOTAL | 56.79 |

(iv) Amounts recognised in statement of cash flows

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|-------------------------------|--------------|
| | ₹ |
| Total Cash outflow for Leases | 39.37 |
| TOTAL | 39.37 |

(v) Maturity analysis of lease liabilities

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|---|---------------|
| | ₹ |
| Maturity Analysis of contractual undiscounted cash flows | |
| Less than one year | 137.88 |
| One to five years | 680.52 |
| More than five years | - |
| Total undiscounted Lease Liability | 818.40 |

(vi) Balances of Lease Liabilities

(Amount ₹ in Lakhs)

| Particulars | 31.03.2025 |
|------------------------------|---------------|
| | ₹ |
| Non Current Lease Liability | 680.52 |
| Current Lease Liability | 137.88 |
| Total Lease Liability | 818.40 |



SPARKLING CHAINS PRIVATE LIMITED
OTHER NOTES TO STANDALONE FINANCIAL STATEMENTS

NOTE 51

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and there are no long term contracts for which there are any material foreseeable losses. The Company has ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on derivative contracts has been made in the books of accounts.

NOTE 52

Disclosure Of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the financial year.

NOTE 53

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended schedule III :

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Discrepancy in utilisation of borrowings
- (e) 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:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (f) The Company have 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 Group shall:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (g) 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

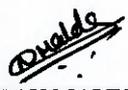
NOTE 54

The Company was incorporated as a Private Limited Company on 17th May, 2024 under the Companies Act, 2013, upon conversion from the erstwhile Sparkling Chains LLP, a Limited Liability Partnership registered under the LLP Act, 2008. The conversion has been carried out in accordance with the provisions of Section 366 read with Rule 3 of the Companies (Authorised to Register) Rules, 2014 and relevant applicable provisions of the Companies Act, 2013.

Pursuant to the conversion, all assets and liabilities of the LLP as on the date of conversion have been transferred to the Company and the same have been incorporated in the books of account of the Company as the opening balances.

Since this is the first financial year of the Company and there were no comparative figures for the previous year, the financial statements have been prepared for the period from 17th May, 2024 to 31st March, 2025, and accordingly, previous year's figures are not applicable and have not been presented.

For V J SHAH & CO
Chartered Accountants
FRN. : 109823W


NIRAV MALDE
(PARTNER)
MEMBERSHIP NO. : 152425




MANGESH CHAUHAN
(DIRECTOR)
DIN: 02138048

FOR AND ON BEHALF OF THE BOARD


MAHENDRA CHAUHAN
(DIRECTOR)
DIN: 02138084

PLACE : MUMBAI
DATE : 27th May, 2025