

M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

To the Members of GAURIK SOUTH PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Gaurik South Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the statement of profit and loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "**the Financial Statements**").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, the profit for the year and the cash flows for the year ended on that date.

We conducted our audit 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 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 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 Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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



B-5/128, Paschim Vihar, First Floor, New Delhi - 110063, India
(M) +91 8802999066, e-mail: casumeet@gmail.com



M A G S & ASSOCIATES
CHARTERED ACCOUNTANTS



In connection with our audit of the Financial Statements, our responsibility is to read the other information as identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if, based on the work we have performed, we conclude that there is a material misstatement therein; we are required to communicate to that charged with governance and take necessary action as applicable under the relevant laws and regulations.

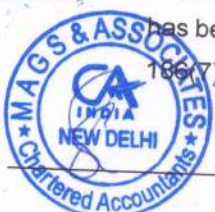
Other Matter

In respect of the qualifications in the audit report of the FY 2023-24, based on information, explanations and documents provided by the management, our remarks are given below each respective qualifications, as under: -

Qualification-1: During the year, Company has taken certain sums classified as unsecured loans from certain parties (as per Note 8), in respect of which, the copies of agreements or terms & conditions of such loans, have not been provided to us. In this absence of any terms or agreement, we are unable to comment whether or not, these amounts are satisfying the conditions laid down u/s 73 of the Companies Act, 2013 and to be considered as deposits or not. Therefore, in our opinion, acceptance of these amounts may lead to violation of section 73 of the Companies Act, 2013.

Remarks Unsecured loans (as per note 8, as on 31.03.2024) have been repaid by the company along with the interest during the year. Further, in respect of loan taken during the year and outstanding balance as on 31.03.2025, the management has obtained the necessary documentation for all such unsecured loans and executed formal loan agreements outlining the terms and conditions, including interest rate (if any), repayment schedule, and purpose of loan, in compliance with applicable provisions of the Companies Act, 2013.

Qualification-2: In respect of certain loans provided by the Company to various parties (as per Note 18) during the year to the extent of Rs. 5,32,374 thousand (outstanding balance as on 31.03.2024 was Rs. 1,24,653 thousand), we have not been provided with the terms & conditions with respect to schedule of repayment of principal and payment of interest in respect of certain parties. Hence, we are unable to comment on any stipulation of repayment or interest payment in respect of these loans. Further, in respect of loans given to various parties to the extent of Rs. 2,908 thousand, no interest has been charged or received or accrued from these entities, which is not in compliance with Section 186(7) of Companies Act, 2013.



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



Qualification-3: During the year, the Company has given loan to the extent of Rs. 5,32,374 thousand to the related parties in terms of section 185 of the Companies Act 2013 (as per Note 18). We are unable to obtain sufficient appropriate audit evidence in respect of appropriateness of the transactions and granting of abnormal amount of loans to related parties without any business rationale. Further, in absence of any loan agreement or terms & conditions on which loans were given to related parties, we are unable to comment whether related party transactions were conducted on terms equivalent to those prevailing in an arm's length basis. Therefore, Company is in violation of Section 185 in giving such loans. It is pertinent to highlight that the turnover of the Company from trading business for the FY 2023-24 was Rs. 6,20,956 thousand. The amount of loans given above accounts for more than 85% of the turnover of the company.

Remarks (Qualification-2 & 3): The Company has executed loan agreements in line with statutory provisions. In respect of unsecured loans of Rs. 2,050 thousand to various parties, including related parties, in respect of which, the company has neither accrued nor received any interest income. As explained by the management of the company & documents provided by them, the unsecured loans of Rs. 2,050 thousand have been repaid/settled along with interest as applicable during the FY 2025-26 i.e. after the balance sheet date.

Qualification-4 The Company has taken loans amounting to Rs. 81,697 thousand (from parties other than banks, financial institutions, Government and directors or their relatives), out of which outstanding loans as on 31.03.2024, were Rs. 38,956 thousand. In respect of these loans, copies of agreements, terms & conditions of repayment and payment of interest thereon in respect of certain loans, and the purpose of these loans were not made available to us. Therefore, in the absence of such information & documents, we are unable to comment regarding the default in repayment and/or interest on such loans.

Remarks: As explained by the management of the company & documents provided by them, short-term loans (unsecured), as outstanding on 31.03.2024, were repaid during the year 2024-25. Further, there was a long term of Rs. 9,84,840 (outstanding Balance as on 31.03.2024), which was repaid as during the year (except Rs.75.74 Thousand, that was outstanding as on 31.03.2025 and repaid in 2025-26).

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with

B-5/128, Paschim Vihar, First Floor, New Delhi - 110063, India
(M) +91 8802999066, e-mail: casumeet@gmail.com



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



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.

- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- (d) Conclude on the appropriateness of managements and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements of the financial year ended 31st March 2025 and are therefore the key audit matters. We describe these matters in our auditor's report

B-5/128, Paschim Vihar, First Floor, New Delhi - 110063, India
(M) +91 8802999066, e-mail: casumeet@gmail.com



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the "Annexure-1" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. **(A)** 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 2B(f) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (c) The balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the financial statements.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounts) Rules, 2014 as amended from time to time;
 - (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) The modification relating to the maintenance of accounts and other matters connected therewith are stated in paragraph 2A(b) above on reporting under section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (g) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company as on 31st March 2025 and the operating effectiveness of such



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



controls, refer to our separate report in "Annexure-2", wherein we have expressed an unmodified opinion; and

(B) 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:

(a) The Company does not have any pending litigations which would impact its financial position.

(b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

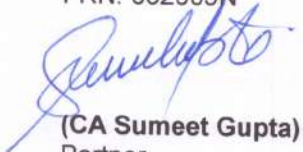


M A G S & ASSOCIATES
CHARTERED ACCOUNTANTS



- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (d)(i) and (d)(ii) contain any material mis-statement.
- (e) The Company has not declared or paid any dividend during the year.
- (f) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of accounts for the financial year ended March 31, 2025 which have a feature of recording audit trail (Edit Log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems except that audit trail feature was not enabled at database level for accounting software to log any direct data changes. During the course of our audit, we did not come across any instance of the audit trail features being tampered with. The Audit trail has been preserved by the company as per the Statutory requirements for record retention.

For **M A G S & Associates**
Chartered Accountants
FRN: 032009N


(CA Sumeet Gupta)
Partner



Membership No.: 504321

Place: New Delhi

Date: 25th September 2025

UDIN: 25504321BMOVAK7064



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



“Annexure-1” to the Independent Auditors’ Report

The Annexure referred to in paragraph 1 under the heading ‘**Report on Other Legal & Regulatory Requirement**’ of our Independent Auditors’ Report of even date to the financial statements of the Company for the year ended March 31, 2025:

On the basis of such checks as we considered appropriate and according to the information and Explanations given to us during the course of our audit, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment;

(B) The Company does not have any intangible assets. Accordingly, clause (i)(a)(B) of the Order is not applicable to the company.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets property, plant and equipment etc. 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, plant 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, there are no immovable properties held in company’s name. Accordingly, clause (i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment or 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, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a trading company engaged in the retail trading/ wholesale distribution of branded footwear & fashion accessories. As explained to us by the management the inventories have been physically verified during the period by the management of the company at reasonable intervals and no material discrepancies of 10% or more were noticed on such verification.



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year; Accordingly, clause (ii)(b) of the Order is not applicable.
- (iii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not provided any guarantee or security to companies, firms, limited liability partnerships or any other parties during the year. Further, the Company has granted unsecured loans during the year to companies and other parties, details of which are stated in the below paragraphs:

(a) According to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has granted loans to various borrowers but have not provided any guarantee, security to any other entity. Details of such loans are given below:

(A) Company has not granted any unsecured loan or provided any guarantee or security to its subsidiary, Joint venture & Associate during the year;

(B) Details of the loans provided by the Company to various parties during the year are as below:

(₹ in Thousands)

| Nature of Borrower | Aggregate Amount (During the year) | Balance Outstanding As on 31 st March 2025 |
|--------------------|------------------------------------|---|
| Related Parties | 3,51,370 | 1,34,778 |
| Other Parties | 200 | 200 |
| Total | 3,51,570 | 1,34,978 |

(b) In respect of above loans provided by the Company to various parties including its related parties, based on our verifications of the relevant documents/ books and further discussions with the management and clarifications given by the management, we have no reasons to believe that these loans are prejudicial to the company's interest.

(c) In respect of above loans provided by the Company to various parties including its related parties, based on our verifications of the relevant documents/ books and further discussions with the management and clarifications given by the management, schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



(d) In respect of above loans provided by the Company to various parties including its related parties, based on our verifications of the relevant documents/ books and further discussions with the management, there was no overdue of principal and interest.

(e) In respect of above loans provided by the Company to various parties including its related parties, based on our verifications of the relevant documents/ books and further discussions with the management, there were no such loan or advance in the nature of a loan which was due for repayment during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company has granted certain loans during the year, either repayable on demand or without specifying any terms or period of repayment. Details of such loans are given below specifying the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is given below:

| Type of Borrower | Aggregate Amount of Loans (₹ in Thousands) | % of Total loans granted |
|----------------------------|---|-----------------------------|
| Promoter | - | - |
| Director | - | - |
| KMPs | - | - |
| Other related parties | 3,51,370 | 99.94% |
| Other than related parties | 200 | 0.06% |
| Total | 3,51,570 | 100.00% |

(iv) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company provided to us:

- Company has given loans during the year to various entities, which is in compliance with Section 185 & Section 186 of Companies Act, 2013.
- Company has neither made any investment nor provided any guarantee or security to any entity during the year.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause (v) of the Order is not applicable.

(vi) To the best of our knowledge and belief, the Central Government has not prescribed the maintenance of cost records under Sub-section (1) of Section 148 of the Companies Act,



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



2013 for the company which is engaged in trading business. Accordingly, the provisions of clause (vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax ("GST"). According to the records of the Company, in respect of Provident Fund, Employees' State Insurance, Income Tax, GST and other material statutory dues to the extent applicable to it; During the year, there are substantial delays by the Company in depositing the TDS (under Income Tax Act), with the appropriate authorities 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, no other undisputed amounts are payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31st March 2025 for a period of more than six months from the date they became payable, except the following:

| Name of the Statute | Nature of Dues | Amount (Rs. Thousands) | Period to which the amount relates |
|----------------------|----------------|---------------------------|---------------------------------------|
| Income Tax Act, 1961 | TDS | 3,422 | April 2024 to August 2024 |

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Value Added Tax or Cess or other statutory dues which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks or financial institutions.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, made available to us, company has not defaulted in the repayment of loan or in interest there to any lender being banks, financial institutions or



M A G S & ASSOCIATES
CHARTERED ACCOUNTANTS



Government.

(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 wilful 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 by the management, the Company has applied the amount of terms loans borrowed for the purposes for which they were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, Company has raised certain unsecured loans from related & other private parties (which includes certain partnership firms & individuals), in respect of which, we have not been provided with either the copies of loan agreement or the terms & conditions of repayment / interest of such loans, in the absence of which, we cannot comment whether funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, joint venture or associate company as defined in the Act.

(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 subsidiaries or associates or Joint venture (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause (x)(a) of the Order is not applicable.

(b) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year, accordingly, clause (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 the Standards on Auditing, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.



M A G S & ASSOCIATES
CHARTERED ACCOUNTANTS



- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there is no whistle blower complaints received during the year hence clause (xi)(c) is not applicable to the company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Accounting Standards.
- (xiv) In view of Section 138 read with Rule 13 of Companies (Accounts) Rules, 2014 and commensurate with the size and nature of its business, the Company is not required to have an internal audit system. Accordingly, clause (xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with its directors and hence provision of section 192 of the act is not applicable to the company. Accordingly, clause (xv) of the Order is not applicable.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses (xvi)(a) of the Order are not applicable.
- (b) The Company has not conducted any Non- Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934; Accordingly, clause (xvi)(b) is not applicable to the company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause (xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the group does not have any CICs.
- (xvii) During the current financial year, the Company has incurred no cash losses during the immediately preceding financial year.

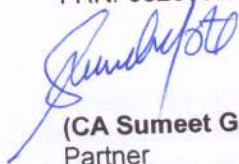


M A G S & ASSOCIATES
CHARTERED ACCOUNTANTS



- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause (xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, sub-section (5) of section 135 of the Act is not applicable on the Company. Accordingly, clauses (xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi) According to the information and explanations given to us, the Financial Statements of the company are standalone. Accordingly, clause (xxi) of the Order is not applicable.

For **M A G S & Associates**
Chartered Accountants
FRN: 032009N



(CA Sumeet Gupta)
Partner

Membership No.: 504321



Place: New Delhi

Date: 25-September 2025

UDIN: 25504321B MOVAK 7064



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



Annexure - 2

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements 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 with reference to Financial Statements of **Gaurik South Private Limited** ("the Company") as of 31st March 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to the Financial Statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibility for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Financial Statements, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.



M A G S & ASSOCIATES

CHARTERED ACCOUNTANTS



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

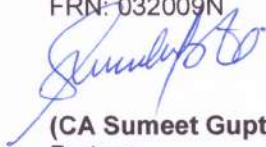
Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **M A G S & Associates**
Chartered Accountants
FRN: 032009N



(CA Sumeet Gupta)

Partner

Membership No.: 504321



Place: New Delhi

Date: 25 September 2025

UDIN: 25504321BMOVAK7064

GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Balance Sheet as at 31st March 2025

| Particulars | Notes | As At 31st March, 2025 | As At 31st March, 2024 |
|-----------------------------------|-------|---------------------------|---------------------------|
| EQUITIES & LIABILITIES | | | |
| Shareholders' Fund | | | |
| Share Capital | 3 | 8,500,000 | 8,500,000 |
| Reserves & Surplus | 4 | 75,462,983 | 47,081,866 |
| Non-Current Liabilities | | | |
| Long Term Borrowings | 5 | 3,749,601 | 35,304,755 |
| Deferred Tax Liabilities (Net) | 6 | - | - |
| Long Term Provisions | 7 | 2,438,929 | 2,132,482 |
| Current Liabilities | | | |
| Short Term Borrowings | 8 | 247,678,676 | 143,166,017 |
| Trade Payables | 9 | 124,526,839 | 185,673,529 |
| Other Current Liabilities | 10 | 21,712,507 | 31,591,334 |
| Short-Term Provisions | 11 | 10,786,684 | 7,595,379 |
| Total | | 494,856,220 | 461,045,363 |
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 12 | | |
| (a) Tangible Assets | | 11,472,663 | 24,586,182 |
| (b) Intangible Assets | | - | - |
| Deferred Tax Assets (Net) | 13 | 2,233,430 | 1,531,184 |
| Other Non Current Assets | 14 | 94,109,138 | 28,951,622 |
| Current Assets | | | |
| Inventories | 15 | 198,095,611 | 240,153,606 |
| Trade Receivables | 16 | 2,753,982 | 3,085,630 |
| Cash & Cash Equivalents | 17 | 3,055,764 | 12,993,852 |
| Short Term Loans & Advances | 18 | 144,803,274 | 131,168,836 |
| Other Current Assets | 19 | 38,332,357 | 18,574,449 |
| Total | | 494,856,220 | 461,045,363 |

Significant Accounting Policies & Notes on Financial Statements 1 to 27
The accompanying notes are an integral part of the financial statements.
As per our report of even date attached.

M A G S & Associates
Chartered Accountants

Sumeet Gupta
Partner
M No.: 504321
FRN: 032009N

Place: New Delhi
Date:

For and on behalf of the Board of
Gaurik South Private Limited



GAURIK SOUTH PRIVATE LIMITED

(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)

U52601DL2018PTC331445

Statement of Profit and Loss for the year ending 31st March 2025

| Particulars | Notes | For the year ending March 31, 2025 | For the year ending March 31, 2024 |
|---|-------|---------------------------------------|---------------------------------------|
| Income | | | |
| Revenue From Operations | 20 | 507,528,736 | 620,956,478 |
| Other Income | 21 | 16,376,482 | 11,325,211 |
| Total Income (I) | | 523,905,218 | 632,281,689 |
| Expenses | | | |
| Cost of Material Consumed/(Purchased) | | 276,542,249 | 416,374,329 |
| Change In Inventories | 22 | 42,057,995 | (1,929,824) |
| Employee Benefit Expenses | 23 | 48,300,047 | 50,786,058 |
| Finance Costs | 24 | 25,159,268 | 31,404,519 |
| Depreciation & Amortization Expense | 12 | 3,787,125 | 3,835,074 |
| Other Expenses | 25 | 89,777,019 | 105,108,368 |
| Total Expenses (II) | | 485,623,704 | 605,578,523 |
| Profit/(Loss) Before Tax (I-II) | | 38,281,514 | 26,703,166 |
| Tax Expense: | | | |
| Current Tax | | 10,602,643 | 7,455,561 |
| Short/(Excess) provision for tax relating to earlier years (DTA)/DTL | | - | 785,905 |
| | | (702,246) | (1,369,885) |
| Profit For The Period From Continuing Operations (III) | | 28,381,117 | 19,831,584 |
| Profit/(Loss) From Discontinuing Operations | | - | - |
| Tax Expense of Discounting Operations | | - | - |
| Profit/(Loss) from Discontinuing operations (IV) | | - | - |
| Profit/(Loss) for the period (III)+(IV) | | 28,381,117 | 19,831,584 |
| No of equity shares | | 850,000 | 850,000 |
| Earning per equity share (In Rupees): | | | |
| (1) Basic | | 33.39 | 23.33 |
| (2) Diluted | | 33.39 | 23.33 |

Significant Accounting Policies & Notes on Financial Statements 1 to 27
The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.

M A G S & Associates
Chartered Accountants

Sumeet Gupta
Partner
M No.: 504321
FRN: 032009N

Place: New Delhi
Date:

For and on behalf of the Board of
Gaurik South Private Limited



Rajesh Dudi
Director
DIN-06840978



Vishnu Pilai
Director
DIN-07011203

GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Cash Flow Statement for the year ending 31st March 2025

| Particulars | For year ending March 31, 2025 | For year ending March 31, 2024 |
|--|-----------------------------------|-----------------------------------|
| A. Cash Flow From Operating Activities | | |
| Net Profit before tax and extraordinary items(as per Statement of Profit and Loss) | 38,281,514 | 26,703,166 |
| Adjustments for non Cash/ Non trade items: | | |
| Depreciation & Amortization Expenses | 3,787,125 | 3,835,074 |
| Finance Costs | 25,159,268 | 31,404,519 |
| Other Non-Cash items | 913,682 | 1,024,105 |
| Interest received | (14,978,772) | (11,325,211) |
| Operating profits before Working Capital Changes | 53,162,817 | 51,641,652 |
| Adjusted For: | | |
| (Increase) / Decrease in trade receivables | 331,648 | (1,593,536) |
| Increase / (Decrease) in trade payables | (61,146,690) | (54,148,608) |
| (Increase) / Decrease in inventories | 42,057,995 | (1,929,824) |
| (Increase) / Decrease in Short Term Advances | (1,459,167) | (473,278) |
| Increase / (Decrease) in Other Current Liabilities | (9,878,828) | 8,691,695 |
| Increase / (Decrease) in Short-Term Provisions | 3,147,082 | 3,073,410 |
| (Increase) / Decrease in Other Current Assets | (19,757,908) | 4,874,389 |
| Cash generated from Operations | 6,456,950 | 10,135,900 |
| Income Tax (Paid) / Refund | (10,602,643) | (8,241,466) |
| Net Cash flow from Operating Activities(A) | (4,145,694) | 1,894,434 |
| B. Cash Flow From Investing Activities | | |
| Interest Received | 14,978,772 | 11,325,211 |
| Purchase of Fixed Assets | (1,060,690) | (7,416,601) |
| Sale of Fixed Assets | 9,824,073 | - |
| (Increase) / Decrease in Short Term Loans | (12,175,271) | 4,608,039 |
| (Increase)/ Decrease of Other Non-Current Assets | (65,157,516) | (3,447,648) |
| Net Cash used in Investing Activities(B) | (53,590,633) | 5,069,001 |
| C. Cash Flow From Financing Activities | | |
| Finance Costs | (25,159,268) | (31,404,519) |
| Increase in / (Repayment) of Short term Borrowings | 104,512,659 | 8,450,938 |
| Increase in / (Repayment) of Long term borrowings | (31,555,154) | 27,742,914 |
| Increase in / (Repayment) of Share Capital | - | - |
| Net Cash used in Financing Activities(C) | 47,798,238 | 4,789,333 |
| D. Net Increase / (Decrease) in Cash & Cash Equivalents(A+B+C) | (9,938,088) | 11,752,767 |
| E. Cash & Cash Equivalents at Beginning of period | 12,993,852 | 1,241,084 |
| F. Cash & Cash Equivalents at End of period | 3,055,764 | 12,993,852 |

M A G S & Associates
Chartered Accountants

Sumeet Gupta
Partner
M No.: 504321
FRN: 033141N

Place: New Delhi
Date:

For and on behalf of the Board of
Gaurik South Private Limited


Rajesh Dudi
Director
DIN-06840978


Vishnu Pillai
Director
DIN-07011203

GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

1. Significant Accounting Policies

1.01 Basis of Accounting and preparation of Financial Statements:

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the accounting standards specified under Section 133 of the Companies Act 2013, read with the rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those followed in the previous year.

1.02 Property, Plant and Equipment and Depreciation:

- a) Fixed Assets are stated at cost less accumulated depreciation. Cost of fixed assets includes other expenses related to acquisition and installation.
- b) Depreciation is provided in accordance with Schedule II of the Companies Act, 2013, on the basis of remaining useful life as prescribed in the Part C of Schedule II of the Companies Act, 2013 on straight line method of depreciation. Depreciation on additions/disposals is provided with reference to the month of addition/disposal.

1.03 Use of Estimates :

The preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the Financial year. Differences between the actual results and estimates are recognized in the year in which the results are known.

1.04 Revenue Recognition:

Revenue is recognized on the basis of completed service contract method in conformity with the Accounting Standard - 9 on "Revenue Recognition".

1.05 Foreign Exchange Transactions

No Foreign Exchange transaction is entered during the period covered by the Financial Statements.

1.06 Taxation:

Provision for Current tax has been made in accordance with the Provision of Income Tax Act' 1961

Deferred Tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable/virtual certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realised. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement.

1.07 Provisions, Contingent Liabilities And Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. There being no contingent liabilities & no contingent assets at the end of the reporting period hence contingent liabilities & contingent assets are neither recognized nor disclosed in the financial statements.

1.08 Earning per Share:

The basic earnings per share are computed by dividing the net profit/ (loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

1.09 Leases:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges to be recognised as an expense in the Statement of Profit and Loss in the financial year to which it relates.

1.10 Cash Flow Statement

Cash flows are reported using the Indirect method, whereby profit before tax is adjusted for the effect of transactions of a non cash nature, any deferral or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.11 Employee Benefits

Contributions in respect of Employees Provident Fund and Pension Fund which are defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as an expense based on the amount of contribution required to be made and when service are rendered by the employees.

The Company provides for other retirement benefits in the form of gratuity. The Company accounts for its liability towards Gratuity based on actuarial valuation made by an independent actuary as at the balance sheet date based on projected unit credit method. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur.



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note 2 : Related Party Disclosure

Disclosures requirement as per Accounting Standards 18 " Related Party Disclosure" issued by the Institute of
(A) Related party and nature of the related party relationship with whom transactions have taken place during
the year

Key Managerial Person (KMP)

Mr Vishnu Pillai
Mr Rajesh Dudi
Mr Karan Gaur

Relative of KMP

Ms. Swati Sinha
Mr. Kartar Singh

Fellow Subsidiaries

Gaurik Lifestyle Pvt Ltd

Companies with common control

Gaurik Rasayan Pvt Ltd
Gaurik Beverages Pvt Ltd
Gaurik Group Pvt Ltd

Holding Company

Gaurik Fashions Limited

Enterprises over which KMP or Relative of KMP are able to exercise significant

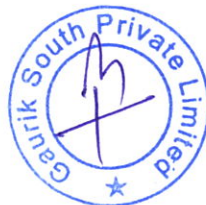
Chat N Chaat Enterprises
Advaith Fashions Pvt Ltd
Square Deal

B) Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for
the relevant financial year:

| a) Interest on unsecured loan given to related party during the year | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Advaith Fashions Pvt Ltd | 108,938 | - |
| Chat N Chaat Enterprises | - | 14,863 |
| Gaurik Fashions Limited | - | 6,286,618 |
| Gaurik Lifestyle Pvt Ltd | 13,772,499 | 4,539,349 |

| b) Interest on unsecured loan taken from related party during the year | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Chat N Chaat Enterprises | 1,795,880 | - |
| Gaurik Beverages Pvt Ltd | 429,295 | 1,344,232 |
| Gaurik Rasayan Pvt Ltd | 25,642 | 83,984 |
| Gaurik Fashions Limited | 9,729,697 | - |



| c) Remuneration paid to related party during the year | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Karan Gaur | 2,148,000 | 2,148,000 |
| Rajesh Dudi | 2,400,000 | 2,400,000 |
| Vishnu Pillai | 2,400,000 | 2,400,000 |

| d) Consultancy fees paid to related party during the year | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
| Gaurik Fashions Limited | 76,480,828 | - |
| Gaurik Lifestyle Pvt Ltd | 8,184,000 | - |

| e) Loan and advances (Unsecured) to related parties | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Advait Fashions Pvt Ltd | - | 907,815 |
| Gaurik Fashions Limited | - | 37,188,526 |
| Swati Sinha | 1,000,000 | 1,000,000 |
| Gaurik Lifestyle Pvt Ltd | 134,778,359 | 84,556,747 |

| f) Borrowings (Unsecured) from related party | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Karan Gaur | 204,268 | 204,268 |
| Kartar Singh | 17,000 | 17,000 |
| Gaurik Fashions Limited | 162,940,464 | - |
| Chat N Chaat Enterprises | - | 27,035,263 |
| Gaurik Beverages Pvt Ltd | - | 12,801,694 |
| Gaurik Rasayan Pvt Ltd | - | 889,838 |
| Rajesh Dudi | 445,000 | 2,500,000 |
| Vishnu Pillai | 2,500,000 | 2,895,000 |

| g) Other payable/(receivables) to/from related party | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Karan Gaur | (138,695) | 178,315 |
| Rajesh Dudi | 24,283 | 1,771,283 |
| Kartar Singh | - | (1,044,720) |
| Swati Sinha | - | (71,508) |
| Vishnu Pillai | (200,637) | 247,204 |

| h) Advances for Purchases & Expenses to related party | | |
|---|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Square Deal | 756,058 | 756,058 |

| i) Security deposits to related party for rent | | |
|--|----------------------|----------------------|
| Particulars | As at March 31, 2025 | As at March 31, 2024 |
| Karan Gaur | 1,800,000 | - |



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note : 3 Share Capital

| Particulars | As on March 31, 2025 | As on March 31, 2024 |
|---|----------------------|----------------------|
| Authorised Share Capital | | |
| 1000000 Equity Shares @ Rs.10/- Each (Previous Year 1000000 Equity Shares @10/- each) | 10,000,000 | 10,000,000 |
| | 10,000,000 | 10,000,000 |
| Issued, Subscribed & Paid Up Capital | | |
| Issued, Subscribed & Paid Up Share Capital 850000 Equity Shares Of Rs.10/- Each , fully Paid Up (Previous Year 850000 Equity Shares @10/- each) | 8,500,000 | 8,500,000 |
| | 8,500,000 | 8,500,000 |

(A) The Reconciliation Of The Number Of Shares Outstanding And The Amount Of Share Capital As At March 31, 2025

| Particulars | As on March 31, 2025 | As on March 31, 2024 |
|------------------------------------|----------------------|----------------------|
| Numbers of shares at the Beginning | 850,000 | 850,000 |
| Add: Shares issued during the year | - | - |
| Add: Deletion during the Year | - | - |
| Numbers of shares at the end | 850,000 | 850,000 |

(B) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to vote in proportion to his share of the paid up capital of the Company.

In the event of winding-up of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the paid-up capital held by shareholders as at commencement of the winding up.

(C) Number Of Shares Held By Each Shareholder Having More Than 5% Shares:

| Particulars | Percentage (%) | As on March 31, 2025 | As on March 31, 2024 |
|-------------------------|-----------------|----------------------|----------------------|
| Karan Gaur | 21.56% | 183,300 | 183,300 |
| Gaurik Fashions Limited | 78.44% | 666,698 | 666,698 |
| Total | 99.9998% | 849,998 | 849,998 |

(D) Shareholding of Promoters

| Shares held by promoters at the end of the Financial Year | | | % Change during the year |
|---|----------------|-------------------|--------------------------|
| Promoter Name | No. of Shares | % of total shares | |
| 1. Gaurik Fashions Limited | 666,698 | 78.44% | - |
| 2. Karan Gaur | 183,300 | 21.56% | - |
| Total | 849,998 | 99.9998% | - |
| Shares held by promoters at the end of the Previous Year | | | |
| Promoter Name | No. of Shares | % of total shares | |
| 1. Gaurik Fashions Limited | 666,698 | 78.44% | |
| 2. Karan Gaur | 183,300 | 21.56% | |
| Total | 849,998 | 99.9998% | |



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note 4 : Reserves & Surplus

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|-----------------------------------|---------------------|---------------------|
| Opening balance | 47,081,866 | 27,250,282 |
| Add: Profit / (Loss) for the year | 28,381,117 | 19,831,584 |
| Closing Balance | 75,462,983 | 47,081,866 |

Note 5 : Long Term Borrowings

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|------------------------------------|---------------------|---------------------|
| Secured Loans from Banks | | |
| Term Loan* | 1,583,333 | 3,359,619 |
| Less: Repayable by 31st March 2026 | 1,000,000 | 1,671,977 |
| | 583,333 | 1,687,642 |
| Car Loan | | 300,176 |
| Less: Repayable by 31st March 2026 | - | 300,176 |
| | | - |
| Unsecured Loans | | |
| From Financial Institutions | | |
| Less: Repayable by 31st March 2026 | - | - |
| | | - |
| From Related Parties | | |
| Less: Repayable by 31st March 2026 | 3,166,268 | 33,541,369 |
| | 3,166,268 | - |
| | | 33,541,369 |
| From Others | | |
| Less: Repayable by 31st March 2026 | - | 984,840 |
| | - | 909,096 |
| | | 75,744 |
| Total | 3,749,601 | 35,304,755 |

*(Secured against Hypothecation of Stock & Book debts (upto 90 days) and FDR of the company and immovable property of relative of Directors)

Note 6 : Deferred Tax Liability

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|-----------------------------|---------------------|---------------------|
| Opening Balance | - | - |
| Provision during the period | - | - |
| Closing Balance | - | - |

Note 7 : Long Term Provisions

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|------------------------|---------------------|---------------------|
| Provision for Gratuity | 2,438,929 | 2,132,482 |
| Closing Balance | 2,438,929 | 2,132,482 |

Note 8 : Short Term Borrowings

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|---|---------------------|---------------------|
| Secured Loans | | |
| Term Loan* | 1,000,000 | 1,671,977 |
| Cash Credit Facility* | 29,912,606 | 29,518,445 |
| Current maturities of long-term debt | | |
| Working Capital Term Loan | | |
| Channel Finance (WC Loan)** | 49,999,914 | 59,993,430 |
| Car Loan against Hypothecation | - | 300,176 |
| Unsecured Loan | | |
| Loans and advances from related parties | 162,940,464 | 12,801,694 |
| From Others | 3,825,692 | 38,880,295 |
| Total | 247,678,676 | 143,166,017 |

*(Secured against Hypothecation of Stock & Book debts (upto 90 days) and FDR of the company and immovable property of relative of Directors)

** (Secured against Personal Guarantee of Directors, postdated/undated cheque by company, fixed deposit)



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note 9 : Trade Payables

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|-----------------------------|---------------------|---------------------|
| i) MSME | - | - |
| ii) Others | | |
| Less Than 1 Year | 124,393,278 | 185,673,529 |
| 1 - 2 years | 133,561 | - |
| 2 - 3 years | - | - |
| More than 3 years | - | - |
| iii) Disputed dues (MSME) | - | - |
| iii) Disputed dues (Others) | - | - |
| Total | 124,526,839 | 185,673,529 |

Note 10 : Other Current Liabilities

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|-----------------------------|---------------------|---------------------|
| Duties and Taxes Payable | 15,392,480 | 17,367,785 |
| Employees' Benefits Payable | 930,737 | 1,523,862 |
| Other Expenses Payable * | 3,966,445 | 11,506,221 |
| Advance from Customers | 956,844 | 828,466 |
| Audit fee Payable | 466,000 | 365,000 |
| Total | 21,712,507 | 31,591,334 |

* The outstanding of Rs. 1,00,613 from MSME is included in the other expenses payables.

Note 11 : Short-Term Provisions

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|------------------------|---------------------|---------------------|
| Provision for Tax | 10,602,643 | 7,455,561 |
| Provision for gratuity | 184,041 | 139,818 |
| Total | 10,786,684 | 7,595,379 |

Note 13 : Deferred Tax Assets

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|--------------------------------|---------------------|---------------------|
| Opening Deferred Tax Assets | 1,531,184 | 161,300 |
| DTA/(Reversal) during the year | 702,246 | 1,369,885 |
| Total | 2,233,430 | 1,531,184 |

Note 14: Other Non Current Assets

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|-------------------|---------------------|---------------------|
| Security Deposits | 26,377,276 | 28,951,622 |
| Prepaid Expenses | 67,731,862 | - |
| Total | 94,109,138 | 28,951,622 |

Note 15 : Inventories

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|----------------------------------|---------------------|---------------------|
| Stock In Trade of Finished Goods | 198,095,611 | 240,153,606 |
| Total | 198,095,611 | 240,153,606 |

Note 16: Trade Receivables

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|---|---------------------|---------------------|
| (i) Undisputed Trade receivables considered | | |
| Less Than 6 Months | 1,943,065 | 2,274,713 |
| 6 Months - 1 Year | - | - |
| 1 - 2 years | - | - |
| 2 - 3 years | - | - |
| More than 3 years | 810,917 | 810,917 |
| (ii) Undisputed Trade receivables considered doubtful. | - | - |
| (iii) Disputed Trade receivables considered as good. | - | - |
| (iv) Disputed Trade receivables considered as doubtful. | - | - |
| Total | 2,753,982 | 3,085,630 |



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note 17: Cash & Cash Equivalents

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|----------------------|---------------------|---------------------|
| Balances with banks | | |
| :On current accounts | 3,423 | 1,765 |
| Cash on hand | 3,052,340 | 12,992,087 |
| Total | 3,055,764 | 12,993,852 |

Note 18 : Short Term Loan & Advances

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|--|---------------------|---------------------|
| Short Term Loans | | |
| - To Related Parties (Unsecured, considered good)* | 135,778,359 | 123,653,088 |
| - To Others (Unsecured, considered good) | 1,050,000 | 1,000,000 |
| Other Advances | | |
| - Advances for Purchases & Expenses | 7,974,915 | 2,911,206 |
| - Advance to Employees | - | 2,411,453 |
| - Advances recoverable | - | 1,193,090 |
| Total | 144,803,274 | 131,168,836 |

* (Loans to related parties are 96.61% of the total loans and advance in the nature of loans)

Note 19 : Other Current Assets

| Particulars | As on 31st Mar 2025 | As on 31st Mar 2024 |
|------------------------------|---------------------|---------------------|
| TDS & TCS Receivables | 2,018,547 | 2,347,486 |
| Fixed Deposit (Lien Marked)* | 24,327,931 | 7,686,246 |
| GST Receivable | 3,124,928 | 8,029,326 |
| Prepaid Expenses | 8,860,952 | 508,396 |
| Accrued Interest | - | 2,995 |
| Total | 38,332,357 | 18,574,449 |

*The FDRs (including accrued interest) of Rs. 10,64,495, Rs. 65,71,474, and Rs. 1,66,91,962 are lien marked with ICICI Bank, Yes Bank, and Punjab National Bank, respectively.

Note 20: Revenue From Operations

| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|-------------------|--|--|
| Sale of Goods | 490,970,714 | 569,434,455 |
| Discount Received | 16,558,022 | 51,522,022 |
| Total | 507,528,736 | 620,956,478 |

Note 21 : Other Income

| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|---------------------|--|--|
| Interest Income | 14,978,772 | 11,325,211 |
| Balance Written off | 1,397,710 | - |
| Total | 16,376,482 | 11,325,211 |

Note 22: Changes in inventories

| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|---|--|--|
| Finished Goods | | |
| Inventories at the beginning of the year | 240,153,606 | 238,223,783 |
| Inventories at the end of the year | 198,095,611 | 240,153,606 |
| Decrease/(Increase) in Inventories | 42,057,995 | (1,929,824) |

Note 23 :Employee Benefit Expenses

| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|------------------------------|--|--|
| Director's Remuneration | 6,948,000 | 6,948,000 |
| Salaries, Wages & Incentives | 38,534,815 | 41,406,517 |
| Other Statutory Benefits | 1,841,555 | 2,164,002 |
| Provision for Gratuity | 350,670 | (1,216,387) |
| Staff welfare expenses | 625,007 | 1,483,926 |
| Total | 48,300,047 | 50,786,058 |



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Note 24 : Finance Costs

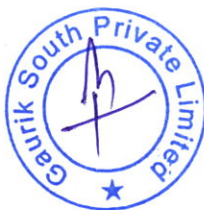
| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|--------------------|--|--|
| Interest on Loans | 24,492,024 | 30,368,505 |
| Other Finance Cost | 667,243 | 1,036,014 |
| | <u>25,159,268</u> | <u>31,404,519</u> |

Note 25 : Other Expenses

| Particulars | For the period ending 31st Mar 2025 | For the period ending 31st Mar 2024 |
|------------------------------------|--|--|
| Audit Fees | 400,000 | 300,000 |
| Bad Debts/Written Off | 3,577,773 | 2,835,580 |
| Business Promotion & Entertainment | - | 207,915 |
| Commission Expenses | 150,000 | 690,401 |
| Conveyance Expense | 553,135 | 866,440 |
| Credit Card Swipe Charges | 947,148 | 1,129,060 |
| Discount Expense | 111,234 | 637,637 |
| Electricity & Power Exp. | 3,822,567 | 6,144,137 |
| Festival Expense | 198,460 | 23,998 |
| Insurance Exp | 766,886 | 337,503 |
| Interest on Income Tax | 885,199 | 708,326 |
| Legal & Professional | 1,367,611 | 2,604,553 |
| Management Consultancy Services | 8,466,483 | - |
| Loss on disposal of Fixed Assets | 563,012 | 2,240,492 |
| Office Maintenance Exp. | 8,557,558 | 10,949,478 |
| Office Expense | 1,075,826 | 1,665,457 |
| Postage & Courier Expense | 105,005 | 245,452 |
| Printing & Stationery | 74,514 | 124,575 |
| Rates & Taxes | 2,220,422 | 2,172,363 |
| Rent Expenses | 50,248,147 | 66,451,931 |
| Computer Repair & Maintenance | 5,114 | 14,578 |
| Security Exp. | - | 411,317 |
| Software Expense | - | 10,800 |
| Telephone & Internet Exp. | 322,346 | 442,872 |
| Travelling Expense- Domestic | 4,221,226 | 3,845,462 |
| Travelling Expense- Foreign | 1,039,765 | - |
| Vehicle Running & Maintenance | 97,588 | 48,042 |
| Total | <u>89,777,019</u> | <u>105,108,368</u> |

Payment to Auditors

| | | |
|-----------|---------|---------|
| Audit Fee | 400,000 | 300,000 |
|-----------|---------|---------|



GAURIK SOUTH PRIVATE LIMITED

(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)

U52601DL2018PTC331445

NOTES TO FINANCIAL STATEMENTS

12. Property, Plant & Equipment

(i) Tangible Assets

| Particulars | Furniture, Fittings and Leasehold improvements | Motor Vehicle | Office Equipments | Computer including Softwares | Total |
|---------------------------------------|--|------------------|-------------------|------------------------------|-------------------|
| Gross Block | | | | | |
| Balance as at 1st April, 2023 | 31,233,567 | 3,069,048 | 660,772 | 1,113,021 | 36,076,407 |
| Additions | 6,787,379 | - | 530,786 | 98,436 | 7,416,601 |
| Deletions | 4,171,532 | - | - | - | 4,171,532 |
| Balance as at 31st March, 2024 | 33,849,414 | 3,069,048 | 1,191,558 | 1,211,457 | 39,321,476 |
| Balance as at 1st April, 2024 | 33,849,414 | 3,069,048 | 1,191,558 | 1,211,457 | 39,321,476 |
| Additions | 984,469 | - | 53,821 | 22,400 | 1,060,690 |
| Deletions | 16,654,008 | - | 370,910 | 98,436 | 17,123,354 |
| Balance as at 31st March, 2025 | 18,179,875 | 3,069,048 | 874,469 | 1,135,421 | 23,258,813 |
| Depreciation | | | | | |
| Balance as at 1st April, 2023 | 10,169,539 | 1,316,702 | 389,808 | 955,212 | 12,831,261 |
| Depreciation for the year | 3,191,405 | 364,449 | 179,987 | 99,233 | 3,835,074 |
| Written back / adjustments | 1,931,040 | - | - | - | 1,931,040 |
| Balance as at 31st March, 2024 | 11,429,904 | 1,681,151 | 569,795 | 1,054,445 | 14,735,295 |
| Balance as at 1st April, 2024 | 11,429,904 | 1,681,151 | 569,795 | 1,054,445 | 14,735,295 |
| Depreciation for the year | 3,213,879 | 364,449 | 149,999 | 58,797 | 3,787,125 |
| Written back / adjustments | 6,506,888 | - | 170,771 | 58,609 | 6,736,268 |
| Balance as at 31st March, 2025 | 8,136,894 | 2,045,601 | 549,023 | 1,054,633 | 11,786,152 |
| Net Block | | | | | |
| Balance as at 31st March, 2024 | 22,419,510 | 1,387,897 | 621,762 | 157,013 | 24,586,182 |
| Balance as at 31st March, 2025 | 10,042,981 | 1,023,447 | 325,446 | 80,788 | 11,472,663 |



GAURIK SOUTH PRIVATE LIMITED
(Formerly known as GAJRUP RETAILS SOUTH PRIVATE LIMITED)
U52601DL2018PTC331445

Notes to Financial Statements

Additional Requirement:
Note 26 : Key Financial Ratios

| Particulars | Numerator | Denominator | 31/03/2025 | 31/03/2024 | Variation in % | Reason for variance (More than 25%) |
|--|---|--|------------|------------|----------------|---|
| Current ratio (In times) | Total current assets | Total current liabilities | 0.96 | 1.08 | -11.63% | NA |
| Debt-Equity Ratio (In times) | Total debts | Total equity | 2.99 | 3.21 | -6.74% | NA |
| Debt Service Coverage Ratio (In times) | Net Profit before tax+ Non cash operating expenses+Interest | Interest + Repayment of loan during the year | 0.15 | 0.17 | -14.67% | NA |
| Return on Equity Ratio (In %) | Net Profit after tax | Average total equity | 40.68 | 43.43 | -6.33% | NA |
| Inventory Turnover Ratio (In times) | Cost of goods sold | Average inventories | 1.45 | 1.73 | -16.09% | NA |
| Trade Receivables Turnover Ratio (In times) | Revenue from operations | Average trade receivables | 173.82 | 271.29 | -35.93% | Due to decrease in revenue from operations and increase in average trade receivables |
| Trade Payable Turnover Ratio (In times) | Net Credit purchases | Average trade payables | 1.78 | 1.96 | -8.90% | NA |
| Net Capital Turnover Ratio (In times) | Revenue from operations | Average working capital | 50.04 | 61.09 | -18.09% | Due to increase in average working capital |
| Net Profit Ratio (In %) | Net Profit after tax | Revenue from operations | 5.42 | 3.14 | 72.71% | Due to increase in employees benefit expenses, finance costs and general administrative expenses. |
| Return on Capital Employed (In %) | Profit before tax and finance costs | Total assets - Current Liabilities | 70.37 | 62.47 | 12.65% | NA |
| Return on Investment (In %) | Net Profit after tax | Average of Total Assets | 5.94 | 4.35 | 36.39% | Due to increase in net profit after tax |

Note: 27 Other Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
(ii) The Company does not have any transactions with companies whose names have been struck off with the Registrar.
(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (a) 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
- (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) 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
- (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
(vi) The Company has not entered into 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)
(vii) The Company is not declared as willful defaulter by any bank or financial Institution or other lender.
(viii) The Company is in compliance with number of layers prescribed under clause (87) of section 2 of the Companies Act 2013 read with Companies (Restriction on number of Layers) Rules, 2017

M A G S & Associates
Chartered Accountants

Sumeet Gupta
Partner
M No.: 504321
FRN: 032009N
Place: New Delhi
Date:

For and on behalf of the Board of
Gaurik South Private Limited

Rajesh Dadi
Director
DIN-05840978

Vishnu Pilla
Director
DIN-07011403